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## **Southeast Asia Report**

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12 October 1984

## SOUTHEAST ASIA REPORT

## CONTENTS

## INDONESIA

Minister on Japan's Role in North-South Cooperation (Jakarta Domestic Service, 17 Sep 84) .....	1
Government's Critics Trying To Be Heard (THE PRESS, 14 Sep 84) .....	2
Government Appeal in Illegal Leaflets (Jakarta Domestic Service, 29 Sep 84) .....	3
Action Against Subversive Islamic Activity Advocated (PELITA, 8 Aug 84) .....	4
Allegation of Waste of Palm Oil Fruit in North Sumatra (KOMPAS, 6 Aug 84; HARIAN UMUM AB, 9 Aug 84) .....	7
1,000 Tons Wasted Daily Junior Minister's Rebuttal	
BIMAS Loans To Be Replaced by Other Credits in 1985 (MERDEKA, 9 Aug 84) .....	10
'Mysterious Shootings' Said To Have Ended (Peter Millership; BANGKOK POST, 20 Sep 84) .....	12
Briefs	
Iraqi Trade Minister's Visit	14
Outgoing Turkish Ambassador	14
Commander Warns Against Communism	14
Jambi Television Relay Stations	14
New Ambassador-Designates Installed	15
Japan's Development Aid	15
Diplomatic Ties With Ireland	15

## KAMPUCHEA

Experiences in Building Local Kampuchean Forces Reviewed (Viet Dung; TAP CHI QUAN DOI NHAN DAN, Jun 84) .....	16
------------------------------------------------------------------------------------------------------------------	----

FAO Predicts Rice Shortage (THE NATION REVIEW, 19 Sep 84) .....	21
--------------------------------------------------------------------	----

#### LAOS

Thai Medicines Obtained in Kampuchea (BANGKOK POST, 21 Sep 84) .....	23
-------------------------------------------------------------------------	----

#### MALAYSIA

VOMD Criticizes UMNO's Economic Policy (Voice of Malayan Democracy, 20 Sep 84) .....	24
VOMD Assails Labor Agreement With Indonesia (Voice of Malayan Democracy, 20 Sep 84) .....	26
VOPM Reports PSRM Conference in Johor Baharu (Voice of the People of Malaysia, 27 Sep 84) .....	28

#### NEW ZEALAND

Australian Daily Analyzes Lange's 'Political Prudence' (John MacDonald; THE SYDNEY MORNING HERALD, 25 Aug 84) ...	30
Issues Remain Unresolved as South Pacific Forum Ends (THE NEW ZEALAND HERALD, 30 Aug 84) .....	33
Trade Minister Finds Japan Reluctant To Invest (Bruce Roscoe; THE NEW ZEALAND HERALD, 29 Aug 84) .....	34
Editorial Lauds Moderation on New Caledonia Issue (THE NEW ZEALAND HERALD, 31 Aug 84) .....	36
Japan Eases Trade Access Following Tokyo Negotiations (THE NEW ZEALAND HERALD, 30 Aug 84) .....	37
Reportage on Government's Antinuclear Stance Continues (Various sources, various dates) .....	39
Lange to Widen Stance Poll Urged Ban Does Not Increase USSR Trade, by Karen Brown Lange Reaffirms Stance Australian Opposition Condemns Ban Stance Offers Chance to Lead, by Oliver Riddell	
Friendship Society Sets Up PRC Fellowships (THE NEW ZEALAND HERALD, 30 Aug 84) .....	44
PRC Light Industry Minister's Visit Holds Trade Promises (Editorial; THE PRESS, 5 Sep 84) .....	45



Opposition Challenges Lange on U.S. Warplane Access (THE NEW ZEALAND HERALD, 31 Aug 84) .....	46
Reportage on Trade Minister's Japan, ROK Trip (THE PRESS, 5 Sep 84; THE NEW ZEALAND HERALD, 7 Sep 84) .....	47
Moore Shifts Emphasis, by Bruce Roscoe Japan Seeks Low Price Power ROK Trade Breakthrough	
Document Cites Economic 'Adjustment' Failure (THE NEW ZEALAND HERALD, 6 Sep 84) .....	51
Defense Secretary Encourages Collective Security (THE NEW ZEALAND HERALD, 4 Sep 84) .....	52

#### PHILIPPINES

Columnist Sees BMA-AFP Teamup in Mandug Barangay (Bert Tesorero; THE MINDANAO DAILY MIRROR, 30 Aug 84) ...	53
Japanese Parliamentarian Seeks Opposition Ties With RP (ANG PAHAYAGANG MALAYA, 9 Sep 84) .....	55
Prime Minister on Plan To Cut Military, Other Budgets (ANG PAHAYAGANG MALAYA, 9 Sep 84) .....	56
Letter Says Few Benefit From MNLF Surrender Programs (ANG PAHAYAGANG MALAYA, 11 Sep 84) .....	57
Tolentino's UN Trip, USSR Access to Plutonium Disposal (Vic Barranco; ANG PAHAYAGANG MALAYA, 11 Sep 84) .....	59
Editorial Views Panorama's Imelda Interview (ANG PAHAYAGANG MALAYA, 10 Sep 84) .....	61
Virata Clarifies Statement on Official Graft, Corruption (BULLETIN TODAY, 14 Sep 84) .....	62
GNP Expected To Drop by 6.5 Percent This Year (BUSINESS DAY, 26 Sep 84) .....	65
Inflation in Manila Reaches 52.6 Percent in Jun (BUSINESS DAY, 25 Sep 84) .....	67
Foreign Funds Misuse Linked to First Lady (Joaquin R. Roces; ANG PAHAYAGANG MALAYA, 9 Sep 84) .....	68
SEC Dissolves 115 Firms in Seven Month Period (BULLETIN TODAY, 19 Sep 84) .....	70

Eight Mourners Slain at Wake (BULLETIN TODAY, 12 Sep 84) .....	71
-------------------------------------------------------------------	----

#### Briefs

Need for Rally Legislation	72
Legal Fees in Libel Cases	72
Radio, TV Station Reduction	72
Napalm Investigation	72
CPP Plan To Overthrow Government	73
Comment on Australian Relief	73
Envoys Present Credentials	73
More Envoys' Credentials	73

#### SINGAPORE

VOMD on Lee Kuan Yew's 'Reactionary' Policies (Voice of Malayan Democracy, 13 Sep 84) .....	74
------------------------------------------------------------------------------------------------	----

#### THAILAND

Foreign Minister Visits Brazil (Voice of Free Asia, 14 Sep 84) .....	78
Nation Review Discusses Nuclear-Free Zone (Editorial; THE NATION REVIEW, 24 Sep 84) .....	79
Military Reshuffle Shows Prem Still in Control (MATICHON SUT SAPDA, 16 Sep 84) .....	81
Paper Gives Details of Military Reshuffle (BANGKOK POST, 25 Sep 84) .....	83
Colonels Retained in Reshuffle To Ensure Stability (Yuwadi Thanyasiri; BANGKOK POST, 19 Sep 84) .....	84
Southern Anti-Insurgency Operations Discussed (BANGKOK WORLD, 21 Sep 84) .....	85
Official Previews UNGA Session (THE NATION REVIEW, 22 Sep 84) .....	87
Editorial Views Apology of 'Young Turks' (THE NATION REVIEW, 22 Sep 84) .....	88
Editorial on Unity Among Armed Forces (THE NATION REVIEW, 19 Sep 84) .....	89
Officer Calls on Athit on 'Turk' Arrest (SIAM RAT, 20 Sep 84) .....	91

Editorial on Refugee Problem (SIAM RAT, 10 Sep 84) .....	93
Two Officials Say 'Turks' Not Arrested (Bangkok Domestic Service, 17 Sep 84) .....	94
Editorial Asks Protection of Thais in Iraq (SIAM RAT, 8 Sep 84) .....	95
No Confidence Motion Threatened on Buses Issue (THE NATION REVIEW, 22 Sep 84) .....	97
Task Force Set Up To Boost Security in South (Bangkok Domestic Service, 25 Sep 84) .....	99
 Briefs	
Sitthi Visit to Venezuela	100
Natural Gas Output	100
Italian Aid	100
Car Body Imports Banned	101
Anti-Hijack Units	101
Japanese Grant	101
Australian Aid	101
Population Data	101
Delegation to Seoul	102
New Resolutions Proposed	102
Trial of Sulak	102
Refugees Face Food Shortage	102
Boat People Land	103
Boat Arrivals Low	103
Military Reunion Support for Athit	103
Diplomatic Relations With Togo	103
Diplomatic Ties With Jamaica	104

MINISTER ON JAPAN'S ROLE IN NORTH-SOUTH COOPERATION

BK170816 Jakarta Domestic Service in Indonesian 0600 GMT 17 Sep 84

[Text] Indonesia hopes that Japan can play a role in promoting understanding of the desire of South nations vis-a-vis the North group on the problems of trade, capital, and the transfer of technology. The coordinating minister for people's welfare, Alamsyah Ratuperwiranegara, said this to three members of a Japanese parliamentary delegation representing the Social Democratic Party in Jakarta this morning.

Minister Alamsyah said that Japan could convince other countries of the North group to improve their relations with the South, particularly in these three areas, which are a key to prosperity. However, the minister is of the opinion that the South nations do not demand the simultaneous and parallel promotion of cooperation with the North in all areas.

[Begin Alamsyah recording] South nations do not demand all at once, but they want improvements in trade, capital, and systematic transfer of technology [words indistinct]. [end recording]

Minister Alamsyah also expressed to the Japanese parliamentary delegation the hope that Japanese-Indonesian trade cooperation in the form of joint-ventures could be expanded in the future. Japanese businessmen operating in Indonesia are expected to provide opportunities to competent Indonesians to become members of the boards of directors of their companies. In the context of the transfer of technology, Japanese companies in Indonesia are expected to immediately initiate training programs for Indonesian technicians, while the Japanese businessmen should mix socially with Indonesians and not live apart.

The Japanese parliamentary delegation representing the Social Democratic Party and led by Masao Nakamura will be in Indonesia from 16-18 September to promote cooperation between Japan and Indonesia in particular, and between Japan and ASEAN in general. The Social Democratic Party is not Japan's ruling party. It, however, supports the government to maintain good relations not only between the East and West but also between the North and South.

CSO: 4213/4

## GOVERNMENT'S CRITICS TRYING TO BE HEARD

Christchurch THE PRESS in English 14 Sep 84 p 18

[Text]

Does Indonesia have a future free from the grip of the army? This heretical question has been raised, courageously, by a group of prominent people with an intimate knowledge of the way Indonesia is governed.

They include a former Prime Minister, Mr Mohammed Natsir, a former armed forces chief of staff, General Nasution, as well as a former education Minister and former Governor of Jakarta. They have put their names to an 88 page book, just published in Indonesia, entitled "Save Democracy."

The book says the Government is eroding Indonesia's already limited political liberties and is concentrating all power in the president and the armed forces. The authors warn that political life is becoming increasingly paralysed and a new submissive society is being created. The book has been widely distributed in Jakarta but newspapers are forbidden to comment on it.

The attack comes at a particularly awkward time for President Suharto. The Government has recently submitted to Parliament five bills covering new laws on elections, political parties, social

organisations and the national assembly itself. Critics see the bills as confirming the growing authoritarianism of the regime, especially a proposed law on social organisations which requires strict adherence to Pancasila, the official state ideology.

Muslim organisations are very unhappy about the law. The Government has said it is "inappropriate" for the Moslem United Development party to continue using as a party emblem the Ka'abah shrine in Mecca, but the party, for the moment is refusing to discard it.

In his traditional eve of independence day speech of August 16, President Suharto reaffirmed the continuing role of the armed forces in Indonesia's political development until the year 2000, but claimed that this was not incompatible with the growth of democracy.

The 63-year-old former general, who has been in power for 19 years, has pensioned off many of his former military contemporaries, several of whom signed "Save Democracy." In their stead,

he has promoted a new generation of army officers associated above all with the armed forces chief and intelligence supremo, General L. B. Benny Murdani.

The men are better trained and more professional than the revolutionaries who fought against the Dutch after 1945, but they are as politically-minded as their predecessors. Their whole training and experience has been based on the notion of dwifungsi (dual function), which asserts for the armed forces a central and enduring role in civil society.

The Golkar organisation, Indonesia's nearest thing to a ruling political party, remains firmly under military control, and its chairman is a retired general, Mr Sudharmono, who is a close confidant of President Suharto. At the time of Mr Sudharmono's appointment last October, Golkar agreed to even closer co-operation with the armed forces. The Government's critics fear this will lead to permanent domination by the armed forces of Indonesian society.

CS0: 4200/11

GOVERNMENT APPEAL IN ILLEGAL LEAFLETS

BK291409 Jakarta Domestic Service in Indonesian 1200 GMT 29 Sep 84

[Text] The government has called on the public not to be provoked or misled by illegal leaflets aimed at discrediting the government, tarnishing the Pancasila state ideology, and poisoning the public mind. Information Minister Harmoko made the call after attending a coordinated meeting of ministers in charge of politics and defense in Jakarta this afternoon.

[Begin Harmoko recording] In this connection, the government will not hesitate to take stern action against printers found to have printed the illegal leaflets, as well as those who order the printing. For this reason, we request the assistance, attention and understanding on the part of all printers throughout the country to reject or refuse to give any service in printing such illegal leaflets. We call on the public to develop the highest level of national vigilance to insure our ability to crush completely every threat, obstacle, obstruction and disturbance so that we can smoothly implement national development. [end recording]

The coordinated meeting believes that public security and order as a whole are under control resulting in security and stability being increasingly consolidated. According to the information minister, the coordinated meeting, which was directly chaired by the coordinating minister for politics and defense, Surono, also discussed the implementation of the Pancasila upgrading course. The meeting came to the conclusion that the Pancasila upgrading course will continue to be implemented to insure the participation of all members of the public who have not yet participated in it.

At the meeting, Home Affairs Minister Suparjo Rustam reported on the parliamentary hearing of the five political draft bills as well as the timetable of talks between the draft bills' ad hoc committee and the government.

CSO: 4213/4



**ACTION AGAINST SUBVERSIVE ISLAMIC ACTIVITY ADVOCATED**

Jakarta PELITA in Indonesian 8 Aug 84 pp 1, 9

[Article: "Infiltration Needs to Be Detected Early; Some People Fan the Flames of 'Islamic Revolution' and Subversion; K H Syaiful Mudjab: Unity Between Islamic Community and Indonesian Armed Forces Is Best Defense of Pancasila]

[Text] Yogyakarta, PELITA—Efforts are being made by certain elements to fan the flames of what is called "the Islamic Revolution" in Indonesia. Firm action must immediately be taken against them by the ulama [Muslim scholars] and the umara [Muslim authorities] so that these venomous snakes will not succeed in disturbing the Muslim community in Indonesia. This is a very serious matter, but it is not necessary to become angry about it because there is a high level of awareness of the problem on the part of the Indonesian Islamic community and the Armed Forces. However, it would be best for problems of this kind to be detected early and, for example, for the sources of the fire to be dampened down before they spread here and there.

This statement was made by K H Syaiful Mudjab, as chairman of the Regional Executive Committee of the PPP [Development Unity Party] and chairman of the Regional Executive Committee of the NU [Muslim Scholars Party] for the Special Area of Yogyakarta, to a PELITA reporter on 7 August.

Syaiful Mudjab said that it is not impossible in this connection that Indonesia has been infiltrated by some subversive agents, who do not like to see progress made by the country of the Pancasila [Five Principles of the Nation] under the leadership of President Suharto. Syaiful Mudjab was once chairman of the Yogyakarta branch of KAMI [Indonesian University Students' Action Unit] and took part in the suppression of the Gestapu/PKI [abortive coup d'etat led by the Indonesian Communist Party in 1965] around the time the "New Order" was established.

He admitted that for a rather long time we have known that there is a country in the Middle East which is dedicated to exporting the "Islamic Revolution" to other countries. Our neighbor, Malaysia, has been one of the targets of this effort. However, the success of Malaysia in suppressing this subversive activity at an early stage is worthy of imitation. The manipulation of this situation by underground communists is not surprising, because these two types of agents have the same goal of preventing and paralyzing the national development of Indonesia. However, we sensed the activities of the subversives and the PKI [Indonesian

Communist Party], and our security agencies were sufficiently vigilant and made preparations to ward them off, he said.

### Poisoning People's Minds

Speaking further about the "Islamic Revolution," Syaiful Mudjab, who is a member of the MPR [People's Consultative Assembly], representing the Special Area of Yogyakarta, stated that recently it had been reported that elements associated with the Muballigh (Islamic Missionaries) had wrongfully incited the people and the Islamic community to fan the flames of the "Islamic Revolution" in Indonesia.

Did these elements realize exactly what they were saying and what the evil consequences would be for Indonesia? Didn't they know that this would discredit the Indonesian Islamic community? Syaiful Mudjab asked these questions and then declared that the statements of these elements show how superficial is their understanding of the proper teachings of Islam. This is a dangerous matter for our young people, who have not yet reflected sufficiently on the essential teachings of Islam. They hear portions of the teachings of Islam, provided them by these extremist elements. As a result, they think that this is Islam. This mistaken picture can poison the minds of our younger generation of Muslims, because these extremist teachings have stirred up conflicts between the Indonesian Islamic community and the country of the Pancasila. This kind of activity clearly damages the view people have of Islam and, for that reason, such activity can no longer be tolerated.

### Yogyakarta NU Has Clear Attitude

Mentioning the Yogyakarta publications AL-IKHWAN and AR-RISALAH which have been outlawed by the government, he admitted that they carried articles which incited the Islamic Community and criticized the meeting of Islamic ulama in Situbondo [East Java] recently, which approved the Pancasila as the single founding principle in our life as a community, nation, and state. However, these publications did not circulate widely, and their influence was quickly neutralized.

During Ramadan [Muslim fasting month] recently, it began to appear that there were 1 or 2 Muslim missionaries in Yogyakarta who also tried to incite the Indonesian Muslim community to oppose the Pancasila as the single founding principle.

In view of these dangerous indications, Syaiful Mudjab said, he issued an instruction to all organizations affiliated with the NU, including Pemuda Ansor [NU youth organization], to "expel from office" any Muslim missionaries who make erroneous or extremist statements. If people were not prepared to do this, they should make an immediate report on the matter and ask government security agencies to take action against these Muslim missionaries. Since then, Syaiful Mudjab said, conditions in Yogyakarta have been relatively quiet, because there is a high level of unity and vigilance among NU groups in particular and Parliament, the government, and the press in general, as well as good cooperation with the Indonesian Armed Forces. This unity is an effective, firm, and solid guarantee for the defense of the Pancasila.

This method, according to Syaiful Mudjab, can also be used in other areas. He urged ulama to take immediate action to admonish Muslim missionaries who give out such misinformation.

The chairman of the Regional Executive Committee of the PPP in Yogyakarta declared that he did not want to see a repetition of the history of the "Old Order" [the period of Sukarno] in Indonesia. This is because the "Old Order" divided the people into small groups and made them selfish and egotistical. Finally, this attitude led to the communist uprising, the uprising of the Darul Islam [Territory of Islam] under Kartosuwiryo, and the separatist uprising [reference to the PRRI —Revolutionary Government of the Republic of Indonesia]. As a consequence, the Indonesian people could not pursue their development and lived in poverty, were stunted in their growth, and were fully dependent on other countries.

Finally, Syaiful Mudjab called on the Indonesian Islamic Community to act together, to expand their good works and efforts, to raise their level of consciousness as a state and nation, based on the Pancasila and the Constitution of 1945, united and peaceful and full of forgiveness for each other, and with the blessings of Almighty God to move in the direction of a good and happy country.

5170

CSO: 4213/276

# ALLEGATION OF WASTE OF PALM OIL FRUIT IN NORTH SUMATRA

1,000 Tons Wasted Daily

Jakarta KOMPAS in Indonesian 6 Aug 84 p 1

[Text] Medan, KOMPAS—Every day at least 1,000 tons of palm oil fruit is wasted in North Sumatra because the factories are unable to process it. A further consequence of a recent increase in production of palm oil fruit is that the capacity of existing palm oil factories is generally declining because they are not receiving adequate maintenance. If this matter is not immediately dealt with, palm oil fruit produced by smallholders, whose acreage will be substantial by next year, will suffer from inadequate processing facilities.

According to data gathered by a KOMPAS representative, production of palm oil fruit has increased quickly by up to 30 percent, as a result of the pollination of the trees last year. This large increase in production was not expected, and the capacity of the existing factories will not be sufficient to process all of the TBS (fresh palm oil fruit), when the newly-planted trees are fully producing.

More regrettable is the fact that, while the palm oil trees are not yet fully producing, the existing processing factories are not being properly maintained. Factory machinery, which should receive routine servicing once a year, usually between January and May, when production is low, is not being serviced. As a result, factory capacity is declining because there are always parts of the machinery which must be repaired.

One palm oil factory in Labuhan Batu Regency in North Sumatra, which is said to have an installed capacity of 60 tons of palm oil fruit per hour, is only capable of processing 42 tons of fruit per hour. Furthermore, the steam pressure on the palm fruit being processed is not constant at 2.6 kilograms per square centimeter, as it should be, but varies between 2.3 and 2.6 kilograms per square centimeter.

Another problem is that the factories are not always located near the growing areas, with the result that in some places there is a surplus of palm oil fruit, while in other places there is a shortage. This has happened because some palm oil factories have been built without palm oil fruit fields nearby.

## Delay in Processing

In addition to the fact that there is a substantial amount of palm oil fruit which is being wasted, at present the processing of a significant amount of the fruit is being delayed. As a result of the increased production referred to above, the palm oil fruit, which is usually harvested once a week, is now being harvested once every 10 days. Indeed, at times the trees are harvested at intervals of more than 10 days, with the result that the palm oil fruit is overripe.

When overripe palm oil fruit is processed, the CPO (crude palm oil) obtained contains a relatively high ALB (free grease content). Palm oil for export is required to have an ALB content of no more than 5 percent. Crude palm oil with a high ALB content is expensive to turn into cooking oil.

## Junior Minister's Rebuttal

Jakarta HARIAN UMUM AB in Indonesian 9 Aug 84 pp 1, 3

[Text] Jakarta, HARIAN UMUM AB—Engr Hasjru Harahap, deputy minister for increasing the production of hard fibers, has denied that palm oil fruit is being wasted and is not being processed in the palm oil factories, as has recently been reported by some newspapers.

It is true that palm oil fruit scattered along the edges of the roads is being left there temporarily because this is the harvest season, and the trucks transporting the fruit drop a portion of their cargo along the roads.

Deputy Minister Hasjru Harahap said this after reporting to President Soeharto at his residence on Jalan Cendana in Jakarta on 8 August.

However, he admitted that as a result of the pollination of the trees recently the production of palm oil fruit had increased by between 10 and 15 percent.

He said that after an palm oil tree has been treated with a pollinator, the production of the fruit increases.

He said that as a result of the increase in production of fruit, the processing factories, which are normally capable of handling 30 tons of palm oil fruit per hour, now take 15 minutes longer to handle the same amount of fruit. As a consequence, the processing time is getting longer, and the capacity of the factories is indeed declining. According to Deputy Minister Hasjru, to deal with this problem, steps have been taken, including increasing the steam pressure in the boilers and setting to one side bunches of palm oil fruit which weigh more than 20 kilograms, so that all of the fruit processed can be handled on a uniform basis.

In this connection the president has issued orders to provide whatever is required to support the production of palm oil fruit. The deputy minister said that the governor of North Sumatra has stated that he is prepared to help in supervising the transportation of palm oil fruit, using the resources of the provincial government.

The deputy minister also said that the high point in the production of palm oil fruit will occur between September and October. However, according to him, it is not yet necessary to build new processing factories. What is needed is more processing boilers for the existing plants.

He said that the planting of palm oil trees in the southern part of North Sumatra is now being undertaken spontaneously by the people, particularly in the Asahan and Labuhan Batu areas. Meanwhile, the processing plants in those areas are fully occupied with processing the fruit. In that connection palm oil fruit from the southern part of the province is being sent to Langkat and Deli Serdang.

5170

CSO: 4213/276



## BIMAS LOANS TO BE REPLACED BY OTHER CREDITS IN 1985

Jakarta MERDEKA in Indonesian 9 Aug 84 pp 1, 11

[Excerpts] Jakarta, 8 August—The BIMAS credit program for the production of paddy, which has been in operation for the past 14 years, will be abolished, beginning with the 1985 planting season because the distribution of these credits is no longer effective. Replacing these credits will be other loans under the KIK [Small Investment Credit Program], KMKP [Permanent Working Capital Credits], KIM (Mass Agricultural Intensification Credits, formerly known as INMAS [Mass Intensification Credits]), and KUPEDDES (General Village Credit) programs. This was stated by Dudung Abdul Adjid, secretary of the BIMAS Board of Controllers, to journalists in Jakarta on 8 August.

Dudung Abdul Adjid, who was accompanied by Amir Kahar, his deputy, and Soepono, chief of the Bureau of Statistics, Reports, and Evaluations, as well as four other bureau chiefs, then declared that future allocations of credit and sources of financing will not only be available from the BRI [Indonesian People's Bank] but also from project implementation banks such as the Bank Bumi Daya [Natural Resources Bank], Bank Ekspor [Export Bank], Bank Pembangunan Daerah [Regional Development Bank], and other private lending bodies.

He said: "The Department of Agriculture has prepared for all possible developments that may arise, including any inability to repay overdue loans which may occur."

Dudung said that in that connection attention has been given to the forms of commercial guarantees. For the time being the principle to be followed by the government is no longer to regard the total amount of credit as a target but rather to consider the intensification of business activity as the goal. The government will also give greater emphasis to the matter of even distribution of credits.

Meanwhile, from the technical banking point of view he said that there already are pioneers among the banks which have clearly been successful in extending assistance in the form of credits.

Based on the foregoing, the secretary of the BIMAS Board of Controllers said he agreed 100 percent with efforts made by the LPSM (Community Private Resources Development Institute), which has successfully distributed loans in a safe way.

He said that BIMAS itself in fact had also tried to issue such loans, through its officials in the field, and this effort had also been successful. That was evident from the distribution of loans, which had been going on for years.

The problem now, Dudung said, is what is the best way to develop the capacities of farmers as a group.

He also agreed that the system of using an administrative institute, which has been used up to now, comes closer to the concept of developing a system of face to face communications among farmers. The Department of Agriculture has led the way. That is, how to handle contacts through groups of farmers and not contacts on an individual basis.

#### 82 Percent of the Farmers

Regarding the total amount of BIMAS credits extended not yet repaid, Engr Amir Kahar, deputy secretary of the BIMAS Controllers Board, said that although BIMAS itself had been abolished, so-called overdue loans outstanding will still be collected.

As long as Presidential Instruction No 10/1983 remains in effect, so-called overdue loans must still be repaid. There will be exceptions made if the production of paddy declines to 85 percent of the target, in which case repayment of the loan will be rescheduled and additional facilities will be provided.

According to him, of the total loans amounting to 185 billion rupiahs which have not yet been repaid to the government from the time the program began with the planting season of 1970-71 and up to the present, 82 percent is still in the hands of the farmers. At the same time the proportion of the total now in the hands of government services is only 18 percent. The total area planted to paddy amounts to 9 million hectares, while the area under the intensification program only amounts to 7 million hectares, with an average production per hectare of 30 quintals of rice.

5170

CSO: 4213/276

## 'MYSTERIOUS SHOOTINGS' SAID TO HAVE ENDED

Bangkok BANGKOK POST in English 20 Sep 84 p 11

[Article by Peter Millership: "Angels of Death End Mission"]

[Text] DEATH squads which terrorised Indonesia's underworld seem to have virtually ended a bloody mission of murdering suspected criminals but have left behind a grisly legacy.

Diplomats and human rights lawyers said the killings, which started as an officially-backed campaign early last year, appear to have slowed to a trickle in the past few weeks. They have been accompanied by a spate of copycat murders.

Indonesia's legal aid institute (LBH) estimated there were several hundred death squad murders this year compared with more than 4,000 in 1983. "Reports of killings have fallen sharply in the last couple of months," one LBH official said.

Jakarta daily newspapers this month stopped publishing gory photographs of the victims which bore tell-tale marks of the death squads — shot from close range, bludgeoned, or strangled and often bound with plastic snares.

"No one but the killers can give a date, but there are strong signs the government-backed campaign is over," one senior diplomat said. "It certainly looks like it has come to an end," another said.

Lawyers said there had been cases of people posing as "mystery killers" to settle business deals and of criminals copying death squad methods to settle old scores.

The situation is far from clear. It is complicated by the government's stand and a virtual news blackout imposed a year ago. Although the popular Press has published photographs of bodies, no detailed reporting is permitted.

No official death toll has been made public and no announcement is expected to mark the end of a campaign which the government never formally acknowledged had started.

When the batik-clad executioners began their nightly rounds of terror in early 1983 they were hailed by government figures as guardians of law and order. The then attorney-general, Ismail Saleh, dubbed them "guardian angels."

Human rights leaders, including LBH founder Adnan Buyung Nasution, have said it was a joint military-police operation. Diplomats say elite commando units were employed at the height of the campaign.

Corpses were found in bags, floating in rivers and dumped in paddy fields. A severed head was sent to a newspaper.

The drive was backed by ordinary people who

welcomed the sharp drop in armed robberies, assaults and street crimes.

The late vice-president Adam Malik, who recently died of cancer, was one of the most powerful opponents of the killings and called on President Suharto to do something to stop them.

In January, armed forces commander Benny Murdani, responding to Dutch concern voiced by visiting foreign minister Hans Van Den Broek, denied government involvement. He said the killings were either the result of gang warfare or criminals shot resisting arrest.

Malik dismissed this explanation as nonsense.

"I'm sure Indonesia feels the operation was a success," one Western diplomat said. "It used death squads to stop an alarming crime wave at the same time dodging harsh world disapproval. The question is will the mechanism be re-started?"

Some lawyers were reluctant to say the campaign had totally ended. "My question at this stage is whether it's completely off," LBH director Mulya Lubis said.

Some diplomats said it could be just a lull in the hunt which could restart as criminals who had gone into hiding reappeared. They also said the

killers may simply have come to the end of their hit lists.

What worried diplomats and human right activists most of all was that the squads gained a degree of acceptability in Indonesia which lowered the threshold of violence.

"Indonesia now has an extra-judicial mechanism which may be used again, possibly next time against government opponents," one diplomat said.

At least one key government figure asked his staff to prepare a secret report assessing the impact of the killings in terms of respect for the government and law and order, diplomats said.

Questions about the death squads were raised at the United Nations. The United States, the Vatican and at least six Western aid donors protested.

But one Western diplomat said outrage abroad was muted as the killings were not seen as political. "Unless it's a big issue at home most countries don't want the fuss," he said.

There were also signs of cabinet rifts over the issue. "We used a military solution as a last resort," a senior official said. "It doesn't mean we're all happy with it."

CSO: 4200/11

## BRIEFS

**IRAQI TRADE MINISTER'S VISIT**--Indonesia hopes that the Iraq-Iran conflict could be solved in a peaceful way. This was stated by Foreign Minister ad Interim Ismail Saleh in Jakarta today when he received a courtesy call from the visiting Iraqi trade minister, Hasan 'Ali, at the Department of Justice. Ismail Saleh said that, Indonesia as a member of the Nonaligned Movement and the United Nations, wants a peaceful settlement of the Iraq-Iran conflict and supports peace efforts to end the conflict. On the occasion, Minister Hasan 'Ali told Foreign Minister ad Interim Ismail Saleh that his country has proposed a peaceful settlement of the conflict, but Iran has not yet accepted the proposal. Therefore, Iraq wants the international community to know that Iraq is only to protect and defend its territory in the present Gulf war. [Text] [BK271639 Jakarta Domestic Service in Indonesia 1500 GMT 27 Sep 84]

**OUTGOING TURKISH AMBASSADOR**--Coordinating Minister for Public Welfare Alamsyah Ratu Prawiranegara on 12 September 1984 received outgoing Turkish Ambassador Pulat Tacar who made the call to bid farewell to the minister. Ambassador Pulat Tacar will return home at the end of October and assume new ambassadorial post to the EEC. [BK141152 Jakarta Domestic Service in Indonesian 0700 GMT 12 Sep 84 BK]

**COMMANDER WARNS AGAINST COMMUNISM**--Diponegoro 7th Military Region Commander Major General Sugiarto has warned that communism remains a latent danger, the source of which is former members of the PKI [Indonesian Communist Party]. The commander gave this warning when he inspected the western Semarang military area command on 10 September. He also gave directives on how to keep watch on the former members of the PKI. [BK141152 Jakarta Domestic Service in Indonesian 0700 GMT 12 Sep 84 BK]

**JAMBI TELEVISION RELAY STATIONS**--Information Minister Harmoko inaugurated the auditorium of the Radio Republik Indonesia-Jambi and three television relay stations in Bangko, Kerinci and Kuala Tungkal today [21 September]. He said that the government would further improve radio and television reception in Jambi during the fourth 5-year development plan. A television relay station will be set up in Muarabungo. The minister is on a 2-day working visit in the province. [BK221554 Jakarta Domestic Service in Indonesian 1500 GMT 21 Sep 84 BK]

**NEW AMBASSADOR-DESIGNATES INSTALLED**--President Suharto installed seven new Indonesian ambassador designates at the State Palace in Jakarta on 22 September. They are Yacob Piai for Italy and Malta, Hassan Abdul Jalil for Poland, Bakhtiar Rifai for France, (Mohamad) Stari for New Zealand, Fiji, and Western Samoa, Yono Hatmojo for Yugoslavia and Greece, Mihawan Sutanto for Malaysia, and Sutadi Skarya for Denmark. [BK221554 Jakarta Domestic Service in Indonesian 0700 GMT 22 Sep 84 BK]

**JAPAN'S DEVELOPMENT AID**--Indonesia and Japan have signed an agreement on a Japanese grant amounting to 4.6 billion yen or 18.4 billion rupiah for Indonesia. The agreement was signed by the director general of foreign economic relations of the Foreign Affairs Department, Atmono Suryo, and the Japanese ambassador to Indonesia, Toshio Yamazaki, in Jakarta today [21 September]. Later, Atmono Suryo said that the Japanese government had provided Indonesia with development aid totaling \$3.6 billion or about 3.6 trillion rupiah since 1967. [Jakarta Domestic Service in Indonesian 1200 GMT 21 Sep 84]

**DIPLOMATIC TIES WITH IRELAND**--The Indonesian and Irish Governments have established diplomatic relations at the ambassadorial level. The Directorate of Foreign Information of the Department of Foreign Affairs said the purpose of establishing diplomatic ties is to promote friendship between the two countries. The two governments will appoint their respective ambassadors soon. [Text] [BK041559 Jakarta Domestic Service in Indonesian 1500 GMT 4 Sep 84]

CSO: 4213/271



## EXPERIENCES IN BUILDING LOCAL KAMPUCHEAN FORCES REVIEWED

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Jun 84 pp 67-70

[Article by Viet Dung based on Kampuchea's published documents and data:  
"Some Experiences in Building Local Armed Forces in Kampuchea"]

[Text] Under the leadership of the Kampuchean People's Revolutionary Party and the tight guidance and command of the National Defense Ministry of the People's Republic of Kampuchea, in the last 5 years the local Kampuchian armed forces (consisting of local troops and militia and self-defense forces) were built and gradually consolidated in the localities. The people in all localities, with the local armed forces serving as the hard core, were coordinating closely with the main-force troops and the Vietnamese volunteer army in thwarting all enemy plots, harassing maneuvers and destruction, maintaining political security and social order and security and defending more and more vigorously the frontier and inland territory. The ever-growing local armed forces were working side by side with the main-force troops and the Vietnamese volunteer army to staunchly cling to their positions in the localities, to serve as the hard core for the all-people movement to fight the aggressors and to proselyte enemy soldiers, and to make very important contributions to thwarting enemy plots, maneuvers and activities. The local armed forces operated independently and in coordination with the main-force troops and Vietnamese volunteer troops; fought 4,287 battles, including 2,954 battles independently (65 percent); and put out of action 2,199 enemy troops, including 1,092 being killed in action, 1,107 captured and 881 taken after their surrender, and captured 1,413 guns of all kinds.

All provinces and districts had good examples of villages and hamlets fighting independently and having full control of their positions; many district and provincial units of local troops were fighting the enemy effectively while actively taking part in building and further developing the real strength of the revolution.

From the realities of building and operating the local armed forces many localities succeeded in drawing some initial experiences:

1. To build the local armed forces, particularly the militia force at the basic level, must be closely linked with mobilizing the masses for carrying on three revolutionary movements suggested by the People's Revolutionary Party: to fight the enemy and to proselyte enemy soldiers; to do productive work and to build life; and to develop the revolutionary strength.

In the last 5 years, the Kampuchean People's Revolutionary Party organized 3 major rounds of political activities among the people and mobilized them for heightening the revolutionary spirit and denouncing the crimes and destructive plots and maneuvers of the genocide-advocating Pol Pot-Ieng Sary-Khieu Samphan clique, which had been fed by the Chinese hegemony-advocating expansionists in collusion with the American imperialists. In 1983 alone, more than 4 million man-times took part in political activities.

On the basis of mobilizing the masses, mass organizations, administration organizations and local armed forces were widely built. Mass organizations and administrations at the basic level came into being and recommended eligible people for joining the local armed forces.

In the localities where the masses had been properly mobilized, the people gave tips to the local armed forces and public security organs on the centers of enemy underground activities, which had not been discovered in the past years (such as in Phum Srouch District, Kompong Speu Province; Ba Can District, Pursat Province; Pah Reng District, Prey Veng Province, and so on).

In the 2 years of 1982-1983 particularly, the people were actively carrying on the "3 Do nots, 1 Report" (do not side with the enemy, do not listen to the enemy, do not serve the enemy; report to the administration any enemy maneuvers and activities) movement. From October 1982 to June 1983, the people coordinated their activities with the Kampuchean revolutionary armed forces and public security force and the Vietnamese volunteer troops, captured 3,145 enemies, succeeded in persuading 616 enemy troops to surrender, seized 419 weapons of all kinds and discovered and captured many enemies who had been hiding in revolutionary and mass organizations. The people in different localities contributed 7 million man-days to combat activities.

The victory in the fight against the enemy and the efforts to win their support and to maintain political security and social order and security created favorable conditions for protecting and stepping up production and stabilizing and improving the standard of living.

Many localities made very fast progress in restoring production, building the new production relationships, becoming self-sufficient in terms of satisfying their needs for grain and foods, stabilizing and for the first time improving the standard of living, promoting the development of public health and education and creating a good base for building the three arms.

2. To build the local armed forces must be closely linked with building the new production relationships.

Right after the country had been liberated from the genocidal rule of the Pol Pot-Ieng Sary-Khieu Samphan clique, the state-operated economy was built in the important economic sectors. Land, which was owned by the people as a whole, was assigned to production solidarity teams for collective farming. In state enterprises and production solidarity teams mass organizations and militia and self-defense units were formed.

The state-operated and collective production organizations did not cease to develop the role of the worker class and working farmers in organized ownership and self-understanding in the national construction and in building the armed forces and defending the revolutionary achievements and the fatherland. The more the new production relationships were developed, the more the local armed forces were expanded and consolidated.

3. The construction and activities of the local armed forces must be closely linked with building districts, villages and hamlets strong in all aspects.

The leading cadres in charge of the administration, military and public security matters and mass organizations had been carefully selected to ensure political confidence from districts to villages and hamlets. The fact that the district and village committees and sectors had been consolidated created a good base for the construction and activities of the local armed forces. On the other hand, the fact that the militia force and local troops had been properly built and consolidated created favorable conditions for building and consolidating the production installations and stepping up activities of the local committees and sectors.

At the present time, the provinces have for the first time built 33 strong districts out of 140 and more than 300 combat villages and 4,000 combat hamlets. Many strong districts and combat villages have for the first time had their own party bases, hard-core teams, armed forces and mass organizations; the administration machinery, which was further developed and consolidated, exerted more and more control over the assigned areas, stepped up production and fought the enemy to protect production.

The Puok District (in Siem Reap Province), which has a population of 86,000,

was one of the districts that made more and more progress in many fields. In production, it raised the cultivated area of grain crops from 18,000 hectares in 1979 to 31,000 hectares in 1983 and the per capita average grain output converted to paddy equivalent from 350 kilograms in 1982 to 400 kilograms in 1983. In 1983, the local armed forces were operating independently and, in coordination with the Vietnamese volunteer troops, succeeded in mounting 460 mopping-up battles, killing 68 enemies, wounding 65 others, capturing 4, unmasking 63 underground enemies, persuading 88 to surrender and seizing 27 weapons of all kinds.

Carrying out the plan for building combat hamlets and villages, many localities were doing a good job to mobilize the people for voluntarily cutting off any grain supply to the enemy, taking part in discovering the enemy, actively coordinating with and serving the troops and militia force in mopping up activities, organizing defoliation along the important roadways, finding enemy arms and food caches, building fences around hamlets and villages, and so on.

Along National Highway 6, which is 40 kilometers long, every village on its side was protected by militiamen and the people; in the key areas, there was the participation of a part of the local district troops serving as the hard core. An alert warning network joining all of the hamlets and villages was built with the means provided by the localities. Every village had its own plan and determination to fight the enemy anytime and everywhere and to protect the people and production; at the same time, its militia force was assigned the task of being ready to fight jointly with the militia forces of the friendly villages. So far in some villages like Ta Som, Ta Ko, etc. the militia forces were able to fight on their own and scored outstanding achievements in their task of defending the villages. The militiamen of Lo Veak Village were fighting independently against the enemy while effectively protecting the bridges on Highway No 6; in 1982, when the enemy troops entered the village and were about to loot and to destroy, they fired back in time, killed and wounded a number of them and forced them to withdraw. In Tay Nau Village, the people looked for and found many enemy arms caches, destroyed and burned their storages.

Since early 1983, on the basis of building the militia forces to serve as the hard core for the people to protect their own hamlets and villages, the district local armed forces have been coordinating with the people in ensuring communications safety and with the Vietnamese volunteer troops in mopping up and destroying the southern base of the enemy troops and forcing them to surrender and to give up their weapons.

Along with the task of being ready for combat, fighting and maintaining political security and social order and security, the district local troops also took part in building mass organizations and mobilizing the people for stepping up

production, fulfilling their grain sales obligation to the state and promoting cultural development. In the 2 years of 1980-1981, the people in the district as a whole sold 3,212 tons of grain, and in 1983 up to 4,277 tons, to the state. They also contributed more than 2 million riels and tens of thousands of man-days to the construction of 40 elementary schools, 4 level-II schools, 1 district hospital and 10 public health stations (in 18 villages in the entire district).

Further developing the victories and experiences obtained from their leadership over building the local armed forces and from the activities of these forces in the last 5 years, the localities are continuing to step up the 3 revolutionary action movements, of which the central task is to build the party strong and to raise the quality of its cadres, which is considered the basic and key factor to ensure building the local armed forces and the local administration strong, to achieve the economic and standard-of-living objectives and to thwart all enemy plots and destructive maneuvers.

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CSO: 4209/465



## FAO PREDICTS RICE SHORTAGE

Bangkok THE NATION REVIEW in English 19 Sep 84 p 3

[Text] THE UN Food and Agriculture Organization (FAO) has predicted that there will be a food shortage of about 177,000 tons of rice by the end of this year in Kampuchea because of severe flooding and drought.

The latest report on food and agricultural conditions in Kampuchea was made by a team of FAO experts who visited Kampuchea in January and February this year. The assessment said that climatic conditions through 1983 were erratic. "There was an early drought, followed by floods, and unseasonal rain fell in many provinces, which delayed the ploughing and preparation of the land," it said.

The FAO report pointed out that the area planted was only 1,574,849 hectares, and nearly 240,000 hectares were lost due to flooding and pests last year.

"The dry season planting was planned to be 155,000 hectares, but seasonal conditions are adverse, and it may not be possible to reach 120,000 hectares," the report said.

The total production of paddy in 1984 in Kampuchea, according to the report, will be about 1,614,567 tons. It said that after allowing 15 per cent for post-harvest losses and for seed required for next season, the availability of rice for consumption in 1984 would be 865,000 tons, without providing for security stocks.

The FAO estimates that the population in Kampuchea will be 7,230,900 this year, which, at 12 kilogrammes per person per month, would need 1,041,257 tons. "There may be a net minimum deficit of about 177,000 tons during 1984," it said.

The most affected provinces are likely to be Kandal, Kompong Speu, Kampong Chhnang and Prey Veng, the FAO report pointed out, adding that vulnerable groups like widows, orphans and handicapped persons, will suffer if not assisted by humanitarian aid.

The report said that there are more women than men in Kampuchea and the number of children below 12 year of age is also very large. "This has adversely affected the availability of men for doing sustained and hard agricultural operations," it said.

The number of returnees in Kampuchea from 1979 until 1981 was about 400,000, the FAO report said. In 1982 about 22,000 families returned from refugee camps of the UNHCR.

"It was indicated by the Kampuchean Red Cross that, in all, 96,400 families had come back since 1979, mostly to Battambang, Siem Reap, Takeo, Svay Rieng and Prey Veng provinces. A number of people who had gone to Laos and Vietnam, and other ethnic minorities are also returning, and they have been helped by UNHCR," the report pointed out.



The FAO mission also visited six Kampuchean provinces: Kandal, Kompong Speu, Takeo, Kompong Chhnang, Prey Veng and Battambang. Their general impression was that the situation was very different from that in 1979/80.

"While it has improved remarkably in many ways, there are many glaring deficiencies. Thus, aid is essential, not only to overcome immediate shortages, but it is also desperately required in the form of development aid for the repair of the damaged roads, communication system, industry, agriculture and health," it said.

They also said that the agricultural situation in 1983 in the provinces visited was worse than in 1982, and was mainly due to erratic climatic conditions.

The FAO experts said that there was some improvements in the health of the people, both in the capital and provinces in 1983, in comparison with the previous year. The hospital network has been expanded to the provinces, the districts and the rural areas, and efforts have been made to train medical personnel, to establish pharmacy centres and to train nurses and medical auxiliaries, the report said.

In Phnom Penh, the report added, there is a medical faculty, pharmacy school and also some facilities to train midwives and nurses. About 1,200 people have taken a short-term course, and 700 persons are now undergoing training. It also mentioned that a number of Kampucheans are undergoing training outside Kampuchea, particularly in the Soviet Union, East Germany, Hungary and Vietnam, for specialized courses.

However, the report pointed out that the population of Kampuchea – and not only in Phnom Penh – continues to suffer from some diseases, mainly tuberculosis, dysentery, intestinal parasites, kwashiorkor and malaria.

The FAO report also made these observations:

- The nutritional status of children below 12 years old continues to be unsatisfactory.

- A number of epidemic diseases are prevalent and may get worse due to lowered levels of resistance, caused by inadequate supplies of food.

- The country would need aid in a number of areas, to bring back the conditions to the way they were in 1968.

- It would be advisable to supply fertilizers, pesticides, rat-cides and spare parts for tractors, trucks and pumps for the monsoon season of 1984, in order to enable Kampucheans to produce the food they need next year.

- Due to the adverse climatic conditions in 1983/84, with consequent drops in expected yields and considerable damage to both agriculture and fisheries, the country will not be able to achieve minimum self-sufficiency during 1984-85 without further relief support. FAO estimated that it would need about \$11,880,000 of assistance.

- The continued presence of FAO in Phnom Penh would seem desirable, as the country needs further international help in the food and agriculture sector in order to reduce the risk of a deteriorating food situation. This assistance should be supplemented by adequate monitoring as well as technical/operational supervision. The agricultural and food situation in Kampuchea should continue to be monitored by competent technical personnel to allow for immediate international response.

# THAI MEDICINES OBTAINED IN KAMPUCHEA

Bangkok BANGKOK POST in English 21 Sep 84 p 3

[Text] LAOTIAN troops have been obtaining Thai medicines by posing as gem miners in Kampuchea, Capt Manas Pinklutr of the Chanthaburi-Trat defence force said yesterday.

Speaking at the Supreme Command headquarters, Capt Manas said the Laotians would mingle with Thais in the Pailin Province gemfields and ask them to supply medicines in batches worth between 10,000 baht and 20,000 baht.

Medicines are regarded as strategic materials and their sale to Kampuchea has been banned.

Cpt Manas also reported a build-up of Vietnamese forces near Bo Rai District, Trat, sparking speculation of an imminent attack on the Sok Sanh stronghold of the Khmer People's National Liberation Front.

At present, he said, there had been sporadic clashes between Vietnamese and resistance forces around Sok Sanh.

Army spokesman Col Pobsuk Suthranant said Hanoi had shipped 10 T-54 tanks from Danang into Kompong Som seaport in southern Kampuchea last month.

About 1,000 Viet-

namese troops and an unknown number of tanks and heavy weaponry were moved from Phnom Penh to Ban Singh, Nimit, Soriya, Prao, Yaeng Daengkum of Battambang, opposite Aranyaprathet and Ta Phraya.

Vietnam, said the colonel, had banned Khmers from a stretch of Highway Five from Battambang to Nimit between August 30 and September 11.

While clashes were reported between Vietnamese and resistance forces in Sisophon, Mongkol Bourey and Pailin, Col Pobsuk said Hanoi had launched heavy air strikes against Khmer Rouge guerrillas for four consecutive days in Mong Rassai of Battambang.

Col Pobsuk also said the Laotian economy had slumped since Vientiane's imposition of heavy taxes which had discouraged traders importing Thai goods.

In addition, he said, Vientiane had banned trade with Thais and had stepped up a propaganda campaign to discredit Bangkok over the three disputed border villages.

## VOMD CRITICIZES UMNO'S ECONOMIC POLICY

BK211010 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 20 Sep 84

["Short commentary" entitled: "The UMNO Group Is Shouting for the Extension of the New Economic Policy"]

[Text] The UMNO [United National Malays Organization] ruling clique has forcefully carried out the so-called New Economic Policy [NEP] since 1970 through the machinery of national machinery. During the few years' implementation of the NEP, the UMNO ruling clique has disguised itself, and used its name to upgrade the economic situation of the Malays, when in truth it has arbitrarily repressed the people until a group of their own clique has become very wealthy but the broad multiracial people, especially the poor Malay workers, still remain very poor. An increasingly large number of people has clearly noticed the NEP lie, more so with the large number of Malays expressing their dissatisfaction over those who have taken advantage to reap in a huge profit under the NEP. With that, the ruling UMNO clique, especially the Mahathir-Musa group who ascended the throne this year, cheated the people by giving various excuses in trying to suppress dissatisfaction and opposition by the people concerning the NEP, as long as they can double their efforts in implementing the NEP.

During the middle of last year, Musa Hitam made a statement to the monthly ASIAN FORECAST, a Singapore publication, that if the success which is to be achieved by 1990 is still far from its target, then the Kuala Lumpur government will introduce a new policy. From that statement it can be clearly assured that the new policy meant by Musa Hitam is nothing except restructuring the NEP. Musa Hitam also disclosed that no laws are in opposition to the implementation of the NEP and that the policy should be terminated after 1990 and so on. In fact, as soon as the NEP came into being, the UMNO ruling clique have repeatedly said that the duration of the NEP is 20 years, that is by 1990. Musa Hitam's ever twisting statement clearly shows the contradiction in the rhythm of the previous UMNO ruling clique. It should be pointed out that Musa Hitam's statement is only to find an excuse to create public opinion to continue the NEP or another similar policy after 1990. It is assured then that his larger aim is to double the efforts to implement the NEP even 6 or 7 years after 1990.

After Musa Hitam, the other UMNO groups also repeatedly demanded that the NEP be extended. There are also some who are of the opinion that it is too early to discuss these issues even after 1990. They fear that this will hamper the

indigenous people's determination in the rush for a slice of the economic pie. The indigenous people, as they are called here, are nearly all Malay bureaucratic comprador capitalists who are represented by the UMNO ruling clique. Even before the noise of this issue was heard, it was already heard in every nook and corner since the UMNO general assembly, which was held at the end of May this year until now, and Mahathir has repeatedly given direct orders to the UMNO groups concerning this issue. In that UMNO general assembly, Mahathir said that the extension of the NEP is not a good method to solve the problem. What is important is the implementation of an effective administration in order to enable the indigenous people to achieve more equity in the economic sector. Fearing also that the group may not be able to comprehend fully his aim, he hastily added that until 1990, the indigenous people must achieve the 30 percent equity. So, this is the true aim of the NEP, but this does not mean that after 1990 the indigenous people cannot sustain the equity which they possess. On the other hand, their equity should be greater and expanded further. The indigenous people referred to by Mahathir here are those Malay bureaucratic comprador capitalists. This is already expected, as two main goals had been advertised in the NEP, one of them being eradicating poverty while the other is restructuring society. As for what is said eradicating poverty, it is a total lie, and social restructuring indicates the Malay bureaucratic comprador capitalists possessing the 30 percent of the national industrial and commercial sectors until 1990. This is more important.

All this while Mahathir has admitted that truth very distinctly. The real aim of the NEP, which he mentioned at the UMNO general assembly, is precisely the truth. Mahathir wants the UMNO group to understand fully the NEP implementation, undoubtedly to enable the architects of the bureaucratic comprador capitalists' to rob, usurp, maintain their wealth forever, and above all continue expanding. They want to carry on continuously doing this even after the NEP term and will be active even after 1990. This is the philosophy of the Mahathir group towards the NEP.

For as long as they are in power, they will never let go of this philosophy. Mahathir has given many clarifications concerning the UMNO groups' shouts in wanting to extend the duration of the NEP implementation. Even if Mahathir should twist and distort, it will finally reveal the UMNO groups' greedy nature.

CSO: 4213/278

## VOMD ASSAILS LABOR AGREEMENT WITH INDONESIA

BK211024 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 20 Sep 84

["News report": "What Is the Purpose of Importing Workers From Indonesia to Malaysia?"]

[Text] During a visit to Indonesia in May this year, Deputy Prime Minister of the Kuala Lumpur government Musa Hitam signed an agreement on importation of Indonesian workers to Malaysia and a border-crossing agreement with the Indonesian Government. Following his return to Kuala Lumpur, he also announced that the government would consider the applications of Indonesian workers for citizenship and permanent residence status pursuant to laws and regulations in the country.

Simultaneously in Jakarta, the Indonesian manpower minister advised Indonesian workers, who had worked in the country for more than 10 years, to apply for Malaysian citizenship. He also leaked that Indonesia planned to export 230,000 workers abroad, particularly in Malaysia, Saudi Arabia and Kuwait in the next 5 years. It turned out that the Kuala Lumpur government planned to legalize the status of hundreds of thousands of Indonesian workers currently in Malaysia and accord them citizenship. Tremendous problems involving citizenship and the right to work in the country are drawing great public attention.

To develop comprador bureaucrat capitalists and meet the needs of reactionary power, the Kuala Lumpur government is always active in carrying out the policy of breaking the unity of the people of all nationalities in our country to distract the people who are united in a struggle against the ruling reactionary clique. Its citizenship policy is in fact a striking action in discriminating against the Chinese and Indian nationalities. At present, more than 800,000 Chinese and Indians are not granted citizenship papers. They include, among others, more than 300,000 persons who have red identity cards. They have been residing in our country for decades. Some were born and raised here. All of them have made noble contributions to the economic prosperity and social progress of our country. This being the case, they should be accorded citizenship. However, their applications have been repeatedly rejected by the Kuala Lumpur government with various illogical reasons. Thus, more than 300,000 Chinese and Indians remain stateless to the present. They have been



completely deprived of their political rights, discriminated against in society, and are unable to get suitable jobs. Some unfortunate ones have become jobless for life. The Kuala Lumpur government, however, is hastily willing to settle the citizenship issue of Indonesian workers who have illegally entered our country in the last few years.

According to the estimates of officials of the Indonesian Manpower Ministry and Immigration Service, there are at present 300,000 Indonesian workers in our country. According to a report published by Indonesian paper KOMPAS dated 18 August last year, about 500,000 to 600,000 Indonesian workers have entered Malaysia illegally since 1967. The Kuala Lumpur ruling clique's action turns out to be the realization of the discriminatory policy against the Chinese and Indian nationalities.

The ruling clique says that the country is short of workers and needs to import a large number of foreign workers. The country's economic progress will be hampered unless they are imported. This statement has hidden purposes. Public opinion unanimously points out that the ruling clique has never given any figures to prove the existence of labor shortage. Labor shortages in the sectors of agriculture and construction are due to factors such as low wages, bad working and living conditions, and so on. Thus, this is not merely attributed to labor shortage. For instance, 100,000 people from the peninsula have been working in Singapore to get a relatively high income. Accordingly, positive steps to increase wages and improve the working and living conditions of workers should be taken to resolve the labor problem in these sectors.

The number of unemployed people in our country is indeed very high. According to statistics of the ruling clique, their number in Malaysia continues to increase. The 1980 unemployment rate was 5.7 percent with the total number of 290,000 persons. This year's unemployment rate is 6 percent, representing 330,000 persons. The rate is expected to reach 6.2 percent or more than 370,000 persons next year. The number of unemployed people will continue to increase in years to come. It is worth pointing out that the actual number of the unemployed in our country far exceeds that of the statistics issued by the ruling clique. It turns out that arguments on domestic labor shortages and on the need to import a large number of foreign workers are totally illogical. A large unemployed group has existed in our country, but the Kuala Lumpur government is instead importing a large number of foreign workers. This is nothing but an intention of supplying cheap workers to comprador bureaucrat capitalists and foreign capitalist groups, thus enabling them to press further for cheap wages, exploit the people of all nationalities more cruelly, and indiscriminately dismiss workers who are courageous enough to fight for better conditions. This is the real purpose of the 2-M [Mahathir-Musa] government.

CSO: 4213/278



VOPM REPORTS PSRM CONFERENCE IN JOHOR BAHRU

BK281222 (Clandestine) Voice of the People of Malaysia in Malay 1230 GMT  
27 Sep 84

["Domestic Event": "The Malaysian People's Socialist Party Holds a Delegate Conference"]

[Text] On 3 and 4 August, the Malaysian People's Socialist Party [PSRM] held its 19th delegate conference in Johor Baharu. As many as 250 delegates and observers attended the conference. The ordinary annual conference did not hold leadership elections. Besides discussing policy and hearing speeches and a political report made by the party chairman, the conference also discussed the agricultural policy issued by the 2-M [Mahathir-Musa] government this year. The PSRM Central Committee appointed the acting chairman, Kaporajo, as party chairman. The party had appointed the pro tem leadership at the national level in Johor Baharu a day before the conference.

The PSRM delegate conference approved a decision calling on the government to take steps to prevent the outflow of currency from the country. The party was of the opinion that the government should control the transfer of capital and (?cash) and remittance to foreign countries in addition to preventing foreign capital from playing a role in the country's monetary system.

The conference urged the government to amend the Corruption Act and classify political corruption as a crime. The party considers as corruption offenses acts involving the collection of political funds from [word indistinct] companies, factories, house developers, and financial corporations; allocation of plots of land to politicians and their supporters; and obtaining of cheap houses through the component parties of the National Front without casting votes. Consequently, such acts must be prevented. The PSRM considers political corruption a very dangerous form of corruption. The corruption will never be wiped out by only propagating the "Clean, competent and trustworthy" slogan. Most important, measures must be taken against all corruptors, both high-ranking and low-ranking groups alike.

The conference urged the government to pay serious attention to housing and to develop a plan to build cheap houses.

The PSRM urged the government to raise the Palestinian issue at ASEAN conferences, demand that ASEAN member countries support the struggle of the

Palestinian people, and ask these countries to sever diplomatic relations with Israel.

In addition, the PSRM issued a statement on 13 August criticizing the government's ban on political seminars as trying to restrict the influence of political parties and considered that the ban would certainly cause undesirable consequences. According to the statement there were reasons behind the support given by so many people for the PAS [Pan Malaysian Islamic Party]. The poverty line has exceeded 60 percent in Kedah, Kelantan, and Terengganu. Between 1980 and 1983, the rural poverty rate increased from 37 percent to 42 percent. This is the reason that the PAS has won increasing support. The statement said that the government is emphasizing urban development and producing more millionaires among its supporters. The ruling clique is paying no attention to poor and rural inhabitants. The PSRM urged the government to resolve this problem immediately to prevent it from deteriorating further.

CSO: 4213/3

AUSTRALIAN DAILY ANALYZES LANGE'S 'POLITICAL PRUDENCE'

Sydney THE SYDNEY MORNING HERALD in English 25 Aug 84 p 9

[Article by John MacDonald]

[Tdx] Auckland, Friday--The Prime Minister, Mr Lange, flew out of New Zealand today for the South Pacific Forum Conference in Tuvalu strangely silent about Australia's proposals on nuclear waste dumping in the Pacific.

Nor did he mention his own country's intentions of banning nuclear warships. His Government earlier saw the Tuvalu Conference as a suitable forum for announcing details of this legislation which is not now expected before next March.

Mr Lange's desire to steer clear of the discussion apparently owed as much to political prudence as it did to his personal beliefs.

New Zealanders have recently become familiar with "gesture politics," a phrase used by the conservative Daily Telegraph of London to describe the nuclear stance of the Lange Government.

Like all timely and widely applicable phrases, this took on immediately.

The community added it to another phrase which has come into great vogue with the Labour Government--"not negotiable."

A number of Mr Lange's election pledges have since been labelled "not negotiable," meaning they can be talked about but not altered. They range from the non-nuclear issue and the closure of the South African consulate to quashing plans to sell off part of the national airline.

Belatedly, the new government is becoming aware that political gestures made non-negotiable are best avoided by wise politicians who wish to avoid becoming trapped in corners.

The South Africans pre-empted the Government by leaving the country before Mr Lange had time to even raise the matter in office. A quieter approach would have given the Government the opportunity to develop new links with other African countries.

Businessmen say it would have also saved millions of dollars in trade.

Instead, Mr Lange found himself in an international slanging match with the South African Prime Minister, Mr Botha, who concluded by banning South African exchange students from New Zealand "for their own safety."

The smear smarted and New Zealanders felt they had lost a round in the propaganda war.

There was no comfort when one of the country's most respected Maori spokesmen, Mr Hiwi Tauroa, attacked the attempt to force a South African boycott. Mr Tauroa, the Race Relations Conciliator, said isolation would only increase the problems of South Africa's blacks.

But looming over all has been the future (or non-future) of ANZUS if New Zealand goes ahead with its "not-negotiable" pledge to create a nuclear-free zone around the country, precluding US nuclear warships.

New Zealanders learnt very little beyond the usual platitudes, about the talks between Mr Lange and Mr Hawke on the subject. However, piecemeal bits of information have filtered across the Tasman and out of Wellington in the following two weeks.

There is some agreement that Mr Lange was on an euphoric "high" from the election when he arrived in Port Moresby, and either failed to pick up the signals put out by the Australians, or avoided showing signs of them registering.

Foremost among these concerns was the high-level security intelligence New Zealand and Australia are keyed into through ANZUS, the United States and the Western alliance.

It operates in a surprisingly informal way, with information often passed on through a "buddy buddy" system.

Much of the intelligence is outside military matters, involving political and social shifts, and invaluable to a nation that lives by trade and prides itself on a loud voice in world affairs. Should the country continue to enforce the nuclear ban, this would dry up.

Next month, Mr Lange goes to the United States to address the UN General Assembly. He will also meet the US Secretary of State, Mr Shultz, his second since taking office, and the pressure will be on for a conclusive definition of New Zealand's stance.

It could decide New Zealand's standing in ANZUS.

Mr Lange took over the Labour leadership with flexible views on nuclear matters. He advocated banning nuclear weapons from the home zone, but not nuclear-powered warships. For this he received the sharpest rebuff of career at the hands of the annual party conference.

If he still privately holds this view, his loud proclamatory style in stating the party line is partly to blame for his predicament.

He needs to reinforce his position in the Government. Parliamentary journalists estimate that should he attempt to hedge on the nuclear issue, or dilute it, at least 90 percent of his Cabinet would vote against him.

Mr Lange's vulnerability owes much to the presence of another MP who makes little effort to disguise his leadership ambitions. Mr Jim Anderton was president of the Labour Party for many years before entering Parliament in the recent election from a safe seat--and breaking protocol by offering himself immediately for Cabinet membership.

The offer was not taken up.

He is a powerful personality, politically to the left of the Prime Minister and with substantial support among parliamentary members, including a number in Cabinet.

The coolness between him and Mr Lange stems back to an effort three years ago by Lange supporters to unseat the then Labour leader, Mr (now Sir Wallace) Rowling.

It was Mr Anderton who, within a week of his election, manoeuvred Mr Lange into making loud noises about the South African pledge. Mr Anderton has since shown no reluctance to hustle support for the non-nuclear issue.

Defence does not hold an inspired position in the new government. The portfolio went to the oldest member of the 20-member Cabinet, 66-year-old Mr Frank O'Flynn, QC.

He is also Minister in charge of Rehabilitation, Deputy Minister of Foreign Affairs and of Overseas Trade and Marketing.

Mr O'Flynn is an able and amiable politician. But his interest has always been justice, and as shadow spokesman on justice, it was expected he would get the portfolio. Instead, it went to the Deputy Prime Minister, Mr Geoffrey Palmers, who ironically began as a law clerk 20 years ago in Mr O'Flynn's legal office.

His disappointment at getting Defence and the rag-bag of secondary titles was visible. So far he has said nothing publicly about defence except a brief statement that he would have thought it "ordinarily not wise" to have a foreign affairs ministerial position linked with defence.

CSO: 4200/1070

## ISSUES REMAIN UNRESOLVED AS SOUTH PACIFIC FORUM ENDS

Auckland THE NEW ZEALAND HERALD in English 30 Aug 84 p 13

[Text]

## NZPA

## Funafuti, Tuvalu

The contentious issues of visits by nuclear-powered and armed vessels, New Caledonian independence and exclusive economic zones remain unresolved after the South Pacific Forum ended yesterday.

A 2000-word communique issued after the forum says:

● The forum agreed on the desirability of establishing a nuclear-free zone in the region at the earliest opportunity, but left countries to decide for themselves the question of access by visiting vessels and aircraft.

● The forum reaffirmed its support for the transition of New Caledonia to independence and decided to keep under review the question of reinscribing the country on the United Nations decolonisation list.

● The forum expressed continuing concern at the failure of the United States to recognise the Solomon Islands' 200-mile exclusive economic zone for tuna fishing and considered the solution lay in a multi-lateral agreement to be concluded with the United States next month.

## Violence

The Prime Minister of

Vanuatu, Father Walter Lini, warned that violence would increase in New Caledonia because of the forum's decision not to have the country put on the United Nations decolonisation list.

Forum leaders instead adopted a New Zealand initiative urging France to speed up moves towards independence for its colony. A five-country committee was established to discuss the problem with the French Government and the Independence Front.

The leaders thought there was a danger that France would give New Caledonia independence without setting up a new government system or protecting the rights of the minority Kanaks.

Father Lini said Vanuatu would try to have the matter taken to the United Nations decolonisation committee and would again raise it at the General Assembly next month.

## Killed

He said one man had been killed last Saturday in New Caledonia and there would be more and more violence.

Independence leaders had already approached Libya and with the forum decision against going to the UN "the door is wider open for them to go outside and see where they can get help," Father Lini said.

The New Zealand Prime Minister, Mr Lange, criticised the United States attitude of ignoring exclusive economic zones when its vessels were fishing for highly migratory species.

The subject was raised at the forum by the Solomon Islands, which had seized an American purse seiner, the Jeanette Diana, for fishing inside the Solomons' 200-mile zone.

## Embargo

Mr Lange said that the United States had placed an economic embargo on the Solomons as a consequence.

"It [the Jeanette Diana] was fishing illegally. It was seized, a price was put on it. Now the United States has applied an economic embargo.

"That situation is unacceptable to New Zealand," Mr Lange said.

Next month in Fiji the Forum Fisheries Agency is to consider the problem.

The Campaign for Nuclear Disarmament has welcomed the forum's agreement on the desirability of establishing a nuclear-free zone.

The vice-chairwoman of the London-based organisation, Meg Beresford, said it was a major step which would encourage other regions of the world to exercise their freedom and follow suit.

Her support came even though the campaign last week asked South Pacific nations to consider a total nuclear-free zone, reconsider the Anzus treaty and ban all vessels carrying nuclear weapons from the area.



## TRADE MINISTER FINDS JAPAN RELUCTANT TO INVEST

Auckland THE NEW ZEALAND HERALD in English 29 Aug 84 p 6

[Article by Bruce Roscoe]

[Text] The first visit to Japan by a minister of the new Labour Government, Mr Mike Moore, is driving home to Japanese Government and business leaders the depth of New Zealand's stake in the Japanese economy.

Among the visiting party of New Zealand officials and industry leaders, however, there is considerable worry about the reverse side of this coin: an alarmingly low level of Japanese investment in New Zealand commerce and manufacturing.

Though Japan is now both New Zealand's biggest source of imported goods and largest taker of New Zealand exports, investment by Japanese companies in New Zealand accounts for only about 1 per cent of total foreign investment.

This figure applies to the 1972-1980 period when investment in New Zealand from Britain stood at 39.4 per cent, from Australia, 29.6 per cent, and from the United States and Canada, 25.9 per cent.

### **Investment Projects**

In spite of the speed at which New Zealand's trade with Japan grew during this time, Japanese investment actually fell rather than rose, according to the New Zealand arm of the Japan-New

Zealand Businessmen's Conference.

The latest directory of Japanese investment abroad, which was published recently in Tokyo by the *Oriental Economist*, shows that since 1980 only three Japanese companies have invested in New Zealand: Sumitomo Corporation in the Otago Development Corporation, NEC Corporation in the New Zealand Telecommunication System Support Centre Ltd, and Suzuki Motor in Suzuki (New Zealand) Ltd.

A fourth investment, that of Kanematsu-Gosho and Mitsui Mining Overseas Co Ltd in Greymouth Coal Ltd is planned for next year.

The amount of capital injected by these investments, however, is too low to raise significantly total Japanese investment in New Zealand.

In the case of NEC Corporation, for example, the amount of money involved is only \$300,000. For the coal venture, \$100,000.

Such investment represents foreign companies'

confidence in New Zealand's ability to produce goods efficiently and trade competitively.

The infusion of foreign money for production in New Zealand creates jobs. It commits foreign businesses to New Zealand.

When the ventures prosper, so does New Zealand and the foreign participant.

In the first six months of this year, New Zealand has sold \$1.3 billion worth of goods to Japan. But how secure is this trade when so little Japanese money is invested in the production of those goods?

If sectors of the trade collapsed tomorrow, or gradually declined because of unforeseen market changes, it stands to reason that New Zealand would stand alone in attempting to restore it, so small is Japan's stake in New Zealand-based production.

Japan's reluctance to invest in New Zealand is even more worrying at a time when Japanese investments overseas are growing.

By 1980, Japan had invested \$35 billion over-

seas, creating 750,000 jobs.

The Japan Economic Research Centre predicts this will grow to \$150 billion by 1990, according to a Japan-New Zealand Businessmen's Conference paper on investment by Mr A. Barrie Downey, executive director of Fletcher Challenge Ltd.

Foreign and Japanese bankers cite various reasons for Japan's cold investment feet in the case of New Zealand.

One that recurs is the instability of the New Zealand dollar. The New Zealand Government does not allow the currency to float.

It reserves the right to devalue or revalue the dollar rather than trying to influence its strength by having the Reserve Bank trade in currencies.

### **Small Market Argument**

Thus, when New Zealand devalued in July by 20 per cent, foreign businesses lost 20 per cent of their New Zealand dollar-based investments.

Another reason is said to be the smallness of the New Zealand market.

Japanese firms appear yet to be impressed with the argument that New Zealand-made goods can reach the Australian market uninhibited by quota and tariff restrictions under the Closer Economic Relations treaty.

While many Japanese companies are investing in, for example, Ireland, as a base from which to export to Europe, New Zealand's new relationship with Australia is not providing the same bait.

Relatively high corporate tax and confusing requirements of the Overseas Investment Commission regarding acceptable ratios of foreign capital to New Zealand capital are also cited.

Blame is laid, too, at the feet of the Japanese Government. Why should Japanese companies invest in agricultural production in New Zealand when Japan's farm product trade barriers assure

stunted growth in exports to Japan from that production?

### **Lacklustre Offering**

In 1982 a New Zealand investment mission to Japan found that New Zealand was not putting across the right image to Japanese industry as an attractive investment destination.

Simply stated arguments that New Zealand was a worthwhile investment target because of its well-educated workforce failed to impress when, by Japanese standards, the level of that education may not be high at all.

Moreover, it found that many countries vigorously competed for Japanese investment and that the terms offered by New Zealand lacked lustre by comparison.

But there appear to be reasons more fundamental. New Zealand seems still not to have even identified the areas to which it wants to attract Japanese investment.

There seems to be no policy on priority industries as candidates for investment.

The 1982 investment mission also made a stunning finding: that in its preparation for the visit to Japan it had to turn to a Japanese publication to determine the current level of Japanese investment in New Zealand. The publication was the *Oriental Economist*.

Yet this publication makes obvious omissions. In the latest directory, for example, the 1971 investment by Showa Keikinzoku and Sumitomo Aluminium Seiren in New Zealand Aluminium Ltd is unlisted.

Japanese companies interested in investing in New Zealand understandably will have some questions to ask. First, they will want to know which other Japanese companies have invested in which industries.

But if they place such inquiries with New Zealand banking or Government representation in Tokyo, there is no answer. Nobody seems to know.

EDITORIAL LAUDS MODERATION ON NEW CALEDONIA ISSUE

Auckland THE NEW ZEALAND HERALD in English 31 Aug 84 p 6

[Editorial: "Mature Moderation in Pacific"]

[Text]

The South Pacific Forum could have justified its deliberations in Tuvalu in no better way than by injecting its note of moderation and sanity into the issue of New Caledonian independence. Warnings of bloodshed and of appeals to Colonel Gaddafi can only harm the cause of those pushing for the French territory's control of its own affairs, a fact well recognised by the representatives of most of the assembled nations.

The forum heard such warnings from the Prime Minister of Vanuatu, but it refused to be jostled into precipitate action. Instead, it adopted a New Zealand idea whereby a ministerial delegation from forum countries will approach both France and

the New Caledonian Independence Front. A mission has been to France before, but none has ever approached the front, which is now to be told very firmly that forum nations will not accept the use of violence to gain political ends while the French Government is making genuine moves towards granting independence.

France, for its part, will be asked to advance by four years the date it has set for independence. It will also be asked to accelerate the programme for the education and training of Kanaks to govern the country.

Such mature moderation by friendly neighbours will, if heeded, far better serve the New Caledonian independence movement than calls to arms.

CSO: 4200/1070

JAPAN EASES TRADE ACCESS FOLLOWING TOKYO NEGOTIATIONS

Auckland THE NEW ZEALAND HERALD in English 30 Aug 84 p 12

[Text] Tokyo--The Japanese Government has agreed to allow easier access in 11 trade areas following negotiations between Japanese and New Zealand officials.

The New Zealand Embassy in Tokyo said no breakthroughs had been made in access for primary products such as beef or butter, but the small concessions were important because the overall effect would significantly improve New Zealand's trading position with Japan.

Japan has increased import quotas for leather, and abolished quotas on many fruit preparations and juices.

Tests for the presence of antibiotics in honey have been stopped, health test requirements on breeding cattle relaxes, and access for animal semen improved.

Packaging rules for dairy products have been relaxed and plant inspection facilities at Narita airport have been improved.

Japan has agreed to cut import tariffs on biscuits, whey powder for infants, some meat offals, and other items.

It has agreed to allow authorised institutions in other countries to certify that goods destined for Japan comply with the Japanese standards.

Japan has also agreed to change the testing method for chemical residue on kiwifruit.

The flow of New Zealand kiwifruit to Japan is expected to rise dramatically this year because of the devaluation.

Devaluation for traders selling to Japan in yen meant they got 20 percent more New Zealand dollars for goods shipped. But kiwifruit exporters were selling in New Zealand currency, which made imports 20 percent cheaper for Japanese buyers.

Up to mid-June, importers say, kiwifruit cost \$11 a tray, but by mid-July it dropped to about \$9.50.

The New Zealand Kiwifruit Authority wants Japan to take nearly four million trays of kiwifruit this year, about one million more than in 1983.

In Tokyo kiwifruit sells for \$21.60 a tray wholesale, and each fruit retails for 85¢ to \$1.

CSO: 4200/1070

## REPORTAGE ON GOVERNMENT'S ANTINUCLEAR STANCE CONTINUES

### Lange to Widen Stance

Auckland THE NEW ZEALAND HERALD in English 7 Sep 84 p 5

[Text]

**The Prime Minister, Mr Lange, will broaden his Government's anti-nuclear stand by putting its case to the foreign ministers of the major nuclear powers.**

Among them will be the Soviet Foreign Minister, Mr Gromyko, whom he will meet for the first time in New York this month.

In a move which appears to be aimed at diverting some of the attention off the nuclear ships visits row with the United States, Mr Lange will also meet the foreign ministers of France, Britain and China.

He had already scheduled a meeting to discuss the Anzus stand-off with the American Secretary of State, Mr George Shultz.

The top-level meetings will take place while Mr Lange is in New York for the opening session of the United Nations General Assembly.

Mr Lange said yesterday that it was important his Government's anti-nuclear stance was not seen in terms of being anti-American.

However, the Leader of the Opposition, Sir Robert Muldoon, yesterday criticised the initiative, describing it as a public relations exercise which would achieve nothing.

"They won't have the slightest idea who he is,

most of them," said Sir Robert.

It is understood the nuclear ships issue and Anzus was discussed briefly at yesterday's Government caucus meeting, but there was no suggestion of backing off from the ban on visits of nuclear vessels.

Instead, the discussion apparently centred on the timing involved in implementing the policy, and Mr Lange's intention to meet the foreign ministers in New York.

After the caucus meeting, Mr Lange said he believed it was important the Government was seen to be talking about its position not in terms of "a stance against an ally or a traditional friend."

The policy should be seen in the context of a much broader concern to see that there was some development in disarmament.

It was "an expression of a New Zealand Government view that the nuclear race is insane and it is pointless seeming to be at odds with the one that you are closest to," said Mr Lange in an obvious reference to the differing stance on nuclear visits being taken by the Australian Government.

Sir Robert said the important meeting was the one scheduled between Mr Lange and Mr Shultz, and "I don't think he is going to get



any joy out of that."

The American position was quite firm — a nuclear ship ban by New Zealand would spell the end of Anzus.

Countries around the world had reservations about having nuclear weapons in their vicinity, but they recognised their commitment to regional

security and were staying with their various treaties.

Sir Robert said: "If one country, New Zealand, can get away with what this Labour Government is trying to get away with, then, in the eyes of the American Administration, it puts all those far more strategic treaties at risk."

### Poll Urged

Wellington THE EVENING POST in English 3 Sep 84 p 1

[Text]

Any ban on visits by nuclear ships should be decided by a referendum, says the Rotorua branch of the Ex-Royal Navalmen's Association.

In a letter to the Prime Minister, Mr Lange, the association claimed it was only the Labour Government and "a handful of protesters" that wanted the ban.

"If your Parliament and this minority believe that because we are a nuclear free zone that any aggressor would not turn a nuclear missile on us, they are grossly mistaken. . . . It is like believing 'that if I don't smoke, I will never get cancer'," the letter said.

The association asked where New Zealand was heading as it was only a matter of time before all merchant and naval ships would be nuclear powered. The decision to allow nuclear ships into our ports was a matter for every New Zealander, and therefore it should be made by referendum.

### Ban Does Not Increase USSR Trade

Wellington THE EVENING POST in English 4 Sep 84 p 21

[Article by Karen Brown]

[Text]

New Zealand's stance on a nuclear-free zone is not expected to have a great political impact in Moscow.

In particular, the stance is unlikely to affect this country's trading relationship with the Soviet Union, the "Post" understands.

Although New Zealand can be seen to be courting the Soviet Union as a market, there is little evidence of political considerations affecting the Soviet attitude to trade with this

country in the past.

Trade flourished in 1980, despite the Soviet invasion of Afghanistan and the unrelated expulsion by the Government of Ambassador Vsevolod Sofinsky in January that year.

New Zealand trade with Russia increased by 181 percent in the year to March 31, 1980, with sales totalling more than \$177 million. The Soviet Union was this country's fastest growing Eastern European market.

New Zealand wool and meat board of-

ficials commented at the time that they had sensed no hardening of Russian attitudes towards them since the Sofinsky expulsion.

### Thaw

Despite the recent exchange of ambassadors and general thaw in relations between the countries, this year New Zealand has had some difficulty in selling to the Soviet Union, it is understood.

This country's total export sales to the Sovi-

et Union in the June 1981-82 year were \$NZ347 million. For the nine months between July 1983 and March this year sales were \$240 million, of which sheep meat represented \$140 million, wool \$90 million and dairy produce \$1.1 million.

To date this year — and the buying season for mutton is about November — we have not sold any mutton to the Soviet Union and little butter. Certainly, the big sales hoped for have not yet materialised.

Of more importance to the Russians, perhaps, than political considerations when it comes to trade with free-market economy countries like New Zealand, are prices, delivery dates and quality.

It has been speculated that the Soviets have sent a high-powered diplomat in Ambassador Vladimir Bykov to Wellington to repair the relationship between the countries. But at this stage Mr Bykov's posting is not expected to affect trade materially.

### Lange Reaffirms Stance

Wellington THE EVENING POST in English 7 Sep 84 p 8

[Text]

The Labour Government will not be deflected from its anti-nuclear weapons stance, the Prime Minister, Mr Lange, said in Wellington today.

He said the Government's foreign affairs priority of security and stability in the South Pacific was sound and would not be changed.

Speaking to the annual conference of Labour Youth, he called for understanding from New Zealanders of the pro-nuclear weapons stance of other nations, and understanding from those countries of New Zealand's position.

"We have declared ourselves to have no part of nuclear weaponry. It is not our view that they are a necessary evil. They are an evil simply, and New Zealand is going to do without them.

"There are those among our allies that think a nuclear deterrent is necessary. We should understand them and hope they will understand us. We can't

turn our backs on them, we have got to learn to live with them."

Mr Lange said when he met other Commonwealth Pacific leaders at their recent conference in Port Moresby, Papua New Guinea, he raised the Atkinson report on the state of the French underground testing atoll, Mururoa.

He said this report may allay short-term fears, but heightens long-term concerns. "I am not mollified by the Atkinson report. I am more determined than ever that testing should stop."

### Testing

He said it was felt that the creation of a South Pacific nuclear free zone would make things tougher for the French testing to continue.

Mr Lange said he met Australia's Prime Minister, Mr Hawke, and is aware that Australia's position on the nuclear deterrent is different from New Zealand's.

But the Prime Minister said there was still

goodwill, and a desire to talk. He wants there to be no disruption in the good relations between the two nations.

Mr Lange said since he has expounded the anti-nuclear weapons view he has received extraordinary public support. He said when he went to the South Pacific Forum meeting in Tuvalu, New Zealand presented a paper on New Caledonian independence from France.

The Prime Minister praised the current High Commissioner from France who is working in the colony, noting that the man was imprisoned years ago for his anti-French colonial stance.

While he was sure the Mitterrand Administration is for decolonisation of New Caledonia, he said New Zealand is going to push for early moves.

To the nuclear-free zone, he said it would more properly be described as a nuclear weapons-free zone, and would be a major advance because it would mean no Pacific Forum na-

tion would test or store nuclear weapons.

Mr Lange said he plans to discuss the proposal and New Zealand's stance with all of the foreign ministers of the nuclear weapons armed nations when he goes to the United Nations in New York later this month.

He said he wants to point out that New Zealand's stance is not against any particular nation: "Just anti-nuclear."

Mr Lange said when he went to Tuvalu, the setting made him realise that New Zealand has to rethink its foreign aid programme and immigration policy.

Mr Lange said the election of a Labour Government in New Zealand made many people in the world focus their attention on humanitarian issues. Straight

away apartheid came up with the South African consulate pulling out, and then there was the anti-nuclear stance.

## Regime

To a question from Auckland delegate Mr Alistair Connor about Chile, Mr Lange was critical of the regime there.

"There is no doubt that the very considerable oppression and the much-vaunted return to some democratic principle has not emerged, and of course that's a concern of this Government.

"I am not sure of the effect of it, but it would be certainly possible for this group and the party to make an expression of that opinion."

## Australian Opposition Condemns Ban

Christchurch THE PRESS in English 5 Sep 84 p 9

[Text]

NZPA-AAP Melbourne

The Leader of the Federal Opposition, Mr Andrew Peacock, yesterday condemned New Zealand's ban on nuclear-powered or nuclear-armed ships.

Addressing the sixty-ninth annual Returned Services League congress, Mr Peacock said that Australia and the United States needed to discuss a defence alliance without New Zealand.

He said that if New Zealand was not prepared to enter into the spirit of the

most basic treaty (ANZUS) it should be left out.

There could be no credible foreign policy without a credible defence policy and posture, Mr Peacock said.

"A Government's first duty is to ensure the security of the nation," he said.

He was "deeply concerned" about what had happened to ANZUS since the election of the Labour Government in New Zealand.

## Stance Offers Chance to Lead

Christchurch THE PRESS in English 8 Sep 84 p 3

[Article by Oliver Riddell]

[Text] New Zealand's anti-nuclear stance gave the country the chance again to be a leader of the small and independent nations of the world, the president of the Labour Party, Mr Jim Anderton, told the party's annual conference in Wellington.

These nations comprised the overwhelming majority of countries and they could influence the relatively few and rich nuclear powers to give up "this mad nuclear arms race."

He said the Labour Party had held its first conference in 1917 when some of its leaders were in jail for their anti-war principles.

"These principles were espoused today--that war offered no solution to national or international problems. That was why in 1984 Labour opposed nuclear weapons and their proliferation.

"Our stand will be misread if it is interpreted as being a policy aimed at any particular country," Mr Anderton said.

"It is not anti-American, or anti-Russian, or anti-anything; it is a policy which is for life, for humanity, and for the future of the planet.

"No amount of pressure from anyone--Australian, American, or Outer Mongolian--should cause us to waver one fraction of a millimetre from our strong stand on this issue," he said.

Mr Anderton described as a gratuitous insult to New Zealand the reported comments of the president of the National Party, Mrs Sue Wood, about an American backlash against New Zealand on its anti-nuclear policy.

She had tried to "explain" the Labour Party's position during her recent visit to the "Republican Party's soap opera at Dallas," he said.

"If her party's attempts to explain the economic mess they had got New Zealand into over the last 8-1/2 years are anything to judge by, this country could do without her explanations on our behalf," Mr Anderton said.

Mr Lange would do all the explaining that had to be done to the Americans, and to the world.

CSO: 4200/4

## FRIENDSHIP SOCIETY SETS UP PRC FELLOWSHIPS

Auckland THE NEW ZEALAND HERALD in English 30 Aug 84 p 12

[Text]

The New Zealand-China Friendship Society is enthusiastic about a new award scheme in honour of Rewi Alley (right) which it hopes will draw the two countries closer.

The society has begun soliciting donations for the Rewi Alley Gung Ho Award (from the Chinese kung ho, for working together).

A fund is being set up which will enable New Zealanders to travel to China on fellowships to study the way of life.

The society believes the study awards will particularly benefit those who may have an interest in how China meets the needs of minority groups.

The scheme to honour New Zealander Rewi Alley's dedication to the people of China was suggested at a seminar last month at which the race relations councillor, Mr Hiwi Tauroa, and members of a Maori delegation reviewed their visit to China earlier this year.

A vice-president of the society, Mr Malcolm Moses, said the award would be open to anyone, although the society might like to see initial

awards going to members of the Maori community who could study minorities and the justice system in China.

The fund would allow each person chosen to spend between one and three months in China.

Mr Moses said the visits would be practical, complementing a Government-sponsored exchange scheme which provided for language-study visits of up to two years. The purpose of the latter scheme was more academic, he said.

The society hopes scholarships may also be available in future for Chinese people to make short visits to New Zealand for practical and business studies.

Besides the Rewi Alley Awards, the society plans to try to give more help to private travellers. It says it can help those who are paying their own way by giving them information and introductions.

"We will do anything we can," said Mr Moses, "which will help to build interest between the two countries."

## PRC LIGHT INDUSTRY MINISTER'S VISIT HOLDS TRADE PROMISES

Christchurch THE PRESS in English 5 Sep 84 p 15

[Editorial: "Chinese Minister's Visit"]

[Text] The 10-day visit to New Zealand of the Chinese Minister of Light Industry, Mr Jang Bo, which began yesterday, has been expected for about two years. At first impression, a Minister of Light Industry from China might seem to have few matters to discuss in New Zealand. Such a view is soon changed when the wide-ranging responsibilities of Mr Jang's portfolio are considered. The Ministry of Light Industry deals with a huge range of activities, including ceramics, foodstuffs, and food processing. The Ministry of Agriculture is responsible for the production of milk on farms. Once the milk gets to the factory, the factory is part of the responsibility of the Ministry of Light Industry.

Mr Jang's programme includes visits to a number of factories and businesses. The Chinese have expressed some interest in establishing joint ventures in China with New Zealand firms. Mr Jang will visit Wattle's, Fisher and Paykel, and Crown Crystal, among other businesses. The Dairy Board is showing an interest in his visit. It is keen to see more sales of dairy produce in China and is also interested in China's plans to set up model farms. Farm

machinery is another subject which the Dairy Board may want to discuss with Mr Jang. In Christchurch, Mr Jang will visit an engineering plant and a carpet yarn plant. In Belfast he will visit a wool scour. In the year ended last December, China ranked seventh among New Zealand's export markets. Even so, New Zealand's exports to China were then worth only about \$100 million for the year. For the year to last June, the exports were worth \$175 million, making China the third largest New Zealand market in Asia. The largest market in Asia is Japan, which has long ranked as one of New Zealand's big four markets with Britain, Australia, and the United States. In Asia, South Korea is slightly ahead of China. Taiwan, which took exports worth about \$100 million, is ranked fourth.

The visit by Mr Jang will at least give him the opportunity to see the range of products that New Zealand sells. If some of the joint venture suggestions are fulfilled, trade with China should increase further, especially if some of the raw materials for these ventures are supplied by New Zealand.

CSO: 4200/4



# OPPOSITION CHALLENGES LANGE ON U.S. WARPLANE ACCESS

Auckland THE NEW ZEALAND HERALD in English 31 Aug 84 p 3

[Text]

**NZPA** Wellington

Some of the United States aircraft to visit New Zealand for an Anzus exercise in October are capable of carrying nuclear weapons, says the Opposition spokesman on defence, Mr Doug Kidd.

F-16s, known as Fighting Falcons, had a greater nuclear capability than naval destroyers, Mr Kidd said yesterday.

That raised important questions for the Prime Minister, Mr Lange, who insisted on banning American nuclear-powered ships from New Zealand ports, Mr Kidd said.

"It appears the Prime Minister's policy distinguishes between our ports and territorial sea on the one hand, and our Air Force airfields and internal airspace on the other."

**Announced**

But the Defence Minister, Mr O'Flynn, QC, clearly accepted the importance of Anzus as the best instrument for New Zealand's effective defence, Mr Kidd said.

Mr O'Flynn announced yesterday that the Triad 84 exercise would go ahead from October 5 to 14.

The exercise would involve conventional ground and air forces, the minister said.

"It is appropriate that New Zealand should host an exercise of demonstrable importance to the maintenance of effective defence in this part of the world," he said.

**First Phase**

Similar exercises were held in New Zealand in 1976 and 1981.

The air phase of the Triad 84 exercise will take place out of Whenuapai, Waiouru, Ohakea and Christchurch from October 5-9.

The United States will send eight F-15s, 10 F-16s, one E-3A and two KC-135 tankers.

Australia will have 10 Mirages, four F-111s and one Caribou. And New Zealand will use Skyhawks, Strikemasters, an Orion, and Iroquois and Sioux helicopters.

The land phase will be based at Waiouru from October 9-14, with Australia and the United States sending about 280 soldiers.

The debriefings will be completed and the visitors on their way home by October 20.

## REPORTAGE ON TRADE MINISTER'S JAPAN, ROK TRIP

## Moore Shifts Emphasis

Christchurch THE PRESS in English 5 Sep 84 p 39

[Article by Bruce Roscoe]

[Text]

Mr M. T. Moore, Minister of Overseas Trade and Marketing, has put New Zealand's relations with Japan on a new plane with decisive shifts of emphasis in attitude and approach.

If the structure of co-operative links between Government and business in Japan incorporated in the policy that works magic, New Zealand Co-operative is the partnership that will share the miracle.

In mirroring the classical Japanese Government and business approach, Mr Moore is presenting a New Zealand that says it is trying to learn from the Japanese experience, and by doing so hopes Japan will better understand its needs.

Like a stock market when share prices are high, Mr Moore is gambling that a New Zealand that shows confidence in itself will attract trade and draw Japanese money for investment projects that create jobs.

The need for a different approach towards Japan was made unwittingly clear by the content of Mr Moore's address to the Japan-Australia-New Zealand Society.

In part the address says, "New Zealand is acknowledged world-wide as the most efficient and reliable producer of meat and dairy products. We ask that Japan recognise this competitive advantage, and allow us to

play a greater role in supplying her needs."

The key words are "recognise" and "reliable." Those same words were used in the 1978 agreement between New Zealand and Japan that gave Japan fishing rights in New Zealand's newly declared economic zone and ended a bitter trade dispute over access in Japan for primary products, the so-call "fish-for-fish" deal.

Six years later, New Zealand is still seeking the recognition promised in a hollow agreement. The fleets of angry New Zealand politicians however, are not pounding negotiating tables. Realising that "fish-for-fish" achieved the opposite of what it set out to do — giving Japan a concession on access while winning no access for New Zealand — Mr Moore has decided to drop the hard-line tactics and concentrate, like a diplomat, on the art of the possible.

The trade arguments remain, and there is no hope of their disappearing unless the United States chooses to bring enormous pressure on Japan, and also until Japan finds some way of relocating into non-protected industries its caste of untouchables called buraku who control trade in meat, leather, and other animal industry products.

Mr Moore's policy is to

encourage New Zealand industry groups to adopt a co-ordinated, long-term marketing approach to ensure that New Zealand products for which there is access meet the needs of Japanese consumers.

New Zealand, somewhat ceremoniously, will keep pressing Japan on market access for primary products, but it seems most unlikely that the arguments will again flare into embarrassing political exchanges.

Privately, some members of Mr Moore's mission held the view that the fish wrangle with Japan set the bilateral relationship back about 10 years.

In an interview at the end of his Tokyo tour, Mr Moore said, "How many times have they got to tell us? For some strange reason we don't believe them. We have this natural feeling they must be lying, we think the Japanese are up to something."

These people are extremely open. They are telling us the truth. Listen to it.

"I got the Japanese Chamber of Commerce — money round the table to buy and sell New Zealand 50 times — saying, 'I try to sell your products but you don't give me what I want.' Now for New Zealand, a mainly private enterprise and co-operative society, that is just an overwhelming

"For 10 years Japanese business people have also been saying to us, 'Where do you want us to invest?' and we just don't come back to them."

Formally, there were also admissions that New Zealand had neglected opportunities to encourage Japanese investment. Mr Brian Tolley, who as chairman of the Japan-New Zealand Business Council led an investment mission to Japan in 1962, told a meeting of Japanese aluminium industry leaders that the recommendations his mission made were "still valid." On which back shelf, one wonders, have those recommendations been lying for the last two years.

Now that the whirlwind speeches and business meetings in Tokyo are over, the test of the approach will lie in its results. Already significant developments, particularly in investment, have emerged. Japanese aluminium and hotel interests held private talks with Mr Moore after he gave presentations stating New Zealand's need of Japanese capital and technology for the production of added-value goods for export. Ten business executives that Mr Moore met have said they will soon visit New Zealand.

Why this Japanese interest? New Zealand business missions led by Ministers are not new and ministerial visits are common. Mr Duncan MacLarty in 1961 brought a horticultural delegation to Japan and last year five New Zealand ministers visited.

From a Japanese point of view, the arrival of a new Government is a curious phenomenon that always draws attention. Japan itself has not experienced such political upheaval since 1948.

Mr Moore is a Minister,

aged 35, with four portfolios in arm, of a new Government, telling Japanese politicians that the decision to visit Japan was made within hours of the change of Government, and saying that his message to New Zealand business was "think Japan."

It appeared, too, that no one had told Mr Moore that the election was over. The dust of the campaign trail unsettled, Mr Moore put aside the prepared texts of his speeches and in a personification of energy held Japanese and New Zealand audiences almost spellbound with oratory that exuded sheer enthusiasm for the rewards New Zealand and Japan could expect through co-operation.

"It may not have been the right style for his audiences, but it will tell the Japanese that something is going on in New Zealand, and that is a good thing," said one New Zealand businessman.

"The way he enthused people was fantastic," said a member of the mission. "Did you see that? Straight down to business" said another member after the aluminium meeting. Such comments came from obviously ardent National Party supporters who preferred not to be named.

"The Japanese are often disarmed by honesty. They play games in communicating with themselves but they are straightforward with foreigners and expect foreigners to be direct with them. Moore might just pull it off," said a long-term New Zealand business resident in Tokyo.

Mr Roo Watanabe, chairman of the Japanese Parliament's Foreign Policy Committee remarked that Mr Moore was "dynamic."

Some thought, however, that Mr Moore's personal style at times was too infor-

mal and unpolished. At one meeting, for instance, he appeared sloppy, introducing some members of his mission only by their first names, and not making their status clear.

Mr Moore and his mission of eight industry leaders have left in Japan the image of a young New Zealand on the move, united by a common spirit among top management, workers and Government.

The inclusion of Mr A. J. Kennedy, general secretary of the Meat Workers and Related Trades' Union, in the mission is a vital show of unity that New Zealand has rarely, if ever, shown to Japanese business and political circles.

For all the New Zealand Government and management rhetoric on the need to improve the quality of New Zealand goods, it is odd that before no one had taken the initiative to let workers' representatives see with their own eyes the demanding nature of Japanese markets.

Mr Moore's strategy in presenting such a front may in part be a lesson from the Australian Labour Party, but it is also the stuff of Japanese Government and business co-operation that Mr Moore said he had studied in preparation for his visit.

The Japanese, in studying Mr Moore, might look to his background of marae committee work to understand why it is that a New Zealand Minister is attaching so much importance to consensus, and to the un-Western concept that in trade there should be no losers.

In the indigenous cultures of both countries, Mr Moore has unearthed only one of many common elements the existence of which seems not to have occurred to New Zealand in its pursuit of a fair deal with Japan.

## Japan Seeks Low Price Power

Auckland THE NEW ZEALAND HERALD in English 7 Sep 84 p 1

[Text]

The Minister of Overseas Trade, Mr Moore, may ask the Government to offer cheaper electricity to Japanese companies considering aluminium processing ventures in New Zealand.

He was commenting on his return to Auckland yesterday, on talks he held in Japan with the companies owning the Bluff aluminium smelter.

They were reported to have made specific proposals for further processing of the aluminium produced at Bluff if the Government offered cheaper power and tax incentives.

"We are very interested in it," Mr Moore said.

"Every tonne of aluminium that goes out unprocessed is a job lost to New Zealand."

Asked whether the Government would consider offering lower electricity prices to such ventures, he said:

"It is a question that, if you have a resource, what is the best possible use of that? Is it the best possible use of the resource, of capital, energy and labour?"

"If something like that comes up, that is increasingly attractive."

He said he was not aware that the Treasury had advised that power prices were actually being subsidised to the tune of \$800 million, and should be increased.

However, he said the Government would be selective in the overseas investments it approved in general.

## ROK Trade Breakthrough

Auckland THE NEW ZEALAND HERALD in English 7 Sep 84 p 2

[Text]

The Minister of Overseas Trade, Mr Moore, says he has achieved a "breakthrough" in obtaining access for New Zealand primary products to South Korea.

But, on his return from Korea yesterday, he said he could not reveal any further details "for political reasons in Korea."

"It will take some time to come through. I expect it by the end of this year. But it is substantial," he said.

Asked whether it involved meat, he replied: "I did not mention meat." But he agreed that it involved New Zealand primary produce of some kind.

### Restrictions

Sources said this could mean either beef, live animals, dairy products or fruit.

All of these are subject to heavy import restrictions in Korea designed to protect the country's agriculture industry.

As a result, until recently, virtually all New Zealand exports to Korea have been of the unrestricted products of wool, tallow and casein, as well as fish.

### Complete Ban

However, in the latest trade year, Korea has also become this country's major market outside the United States for beef, buying 3707 tonnes believed to be worth almost \$20 million.

It also bought 7179 tonnes of mutton and 20 tonnes of lamb, all under a centralised tendering system.

But these sales were achieved in spite of a complete ban on all meat im-

ports other than for hotels, restaurants and institutions.

New Zealand exporters have latched on to Korea in spite of this restriction because of a hotel-building boom in anticipation of the 1988 Olympics, due to be held in the Korean capital of Seoul.

Mr Moore, who was in Seoul for annual ministerial talks arranged before the New Zealand election, noted that Japan was already this country's biggest export market.

He described South Korea, with an economic growth rate of 9 per cent a

year or "more than the total New Zealand growth for a decade," as "our next biggest opportunity in the East."

#### Tourism

One area where there was no scope at present, however, was tourism.

"Their people are not allowed to leave the country as tourists," he said. "But that will change."

"The same was true of Japan until the 1960s. I see the same thing happening in Korea. I expect a loosening of the right of people to travel after the Olympics."

CSO: 4200/4

## DOCUMENT CITES ECONOMIC 'ADJUSTMENT' FAILURE

Auckland THE NEW ZEALAND HERALD in English 6 Sep 84 p 5

[Text]

Wellington

**The New Zealand economy has failed to adjust appropriately to the changing world scene, says a background document prepared for participants at next week's economic summit conference.**

Economic growth has been poor by international standards for a long time, it says.

The document was prepared by a subcommittee of the summit steering committee in consultation with 18 economists and departmental officers.

It is being sent to those attending the three-day conference.

The committee says the document is not to be confused with information released last week in the "opening of the books" by the Government.

It says that although the country has passed through a period of international instability, analysis suggests changes in world trade do not account for all the difficulties.

"Our economy has failed to adjust appropriately to the changing world scene. There have been changes in incomes and industries, but they have not prevented a continued high balance of payments deficit. As a result, our debt burden will increase the difficulty of solving our problems.

**Can Do Better**

"It may be possible to

continue as we are we could continue to operate a slow growth economy, but the need for overseas borrowing would continue to grow and loans would become increasingly difficult to obtain.

"However, we can do better. A co-operative community approach would improve our economic performance and enable us to achieve our social aims."

New Zealand's economy has been unsuccessful in recent years in meeting the needs of the community, the committee says.

Low-income families had been hit hardest by the country's poor economic performance.

The document lists a number of major problems to be addressed including:

- The level of unemployment: over 10,000 people had been out of work for more than six months and 41,000 more were in assisted employment.

- The standard of living of those on low incomes: while changes in income distribution were hard to measure, it was clear the position of the lowest income groups has steadily deteriorated.

- Signs of growing social

stress, exacerbated by economic problems: the concentration of unemployment in Maori and Pacific Island groups had heightened feelings of racial difference, while unemployment among young people had made it more difficult for young people to become productive members of society.

- The balance of payments deficit, which was still high.

**Need to Adjust**

Though the experience of the past 10 years was not encouraging, the economy has undergone considerable change during that period, the document says, but it has not been enough to cope with rapid developments in the world environment.

"We can, however, move ahead if the need to adjust appropriately is accepted.

"Most of us are apprehensive of change, but change is inevitable and must be taken as a challenge requiring a positive response."

A wide acceptance of the need for change and a consistent set of economic policies could build a healthy economy, the document said.



DEFENSE SECRETARY ENCOURAGES COLLECTIVE SECURITY

Auckland THE NEW ZEALAND HERALD in English 4 Sep 84 p 20

[Text]

**New Zealand must take first responsibility for its own defence, says the Secretary of Defence, Mr Dennis McLean.**

In an address to Auckland Rotarians yesterday, Mr McLean said New Zealand's main commitment was to the South Pacific region, but it should retain the capability of contributing to wider alliance commitments.

"A small country cannot provide for itself the extremely expensive and technologically complex defence equipment required to join the superpower confrontation, even if it wished," he said.

New Zealand aimed to develop self-reliant armed forces able to operate in its own region, while supporting the principle of collective security to counter any larger threat in the wider Pacific area.

"One of the quickest ways to ensure a threat did arise would be for regional countries to abdicate their regional responsibilities,"

he said.

"This might cause the outside powers to believe they had to fill the vacuum."

The stability in the South Pacific was no reason for overconfidence. The interests of the world's four most powerful countries — the Soviet Union, China, Japan and the United States — met in the Western Pacific and South-east Asia had not been stable for 30 years.

"Against this background, New Zealand needs flexible military forces of all three armed services," said Mr McLean.

The role of the armed forces would include monitoring and surveillance, but deterrence and resistance capabilities would serve the country's interests and those of its Island partners.

"Modern weapons systems put all these roles within the grasp of capable operational forces of a small country."

Maintaining a capable armed force did not imply an aggressive intention.

CSO: 4200/4

COLUMNIST SEES BMA-AFP TEAMUP IN MANDUG BARANGAY

Davao City THE MINDANAO DAILY MIRROR in English 30 Aug 84 pp 3, 10

[Article by Bert Tesorero in the "Point at Issue" column: "Human Rights Fighters in Mandug Case"]

[Text]

The members of the IBP Human Rights Committee are happy. At least, their inquiry on the causes behind the much-publicized Mandug case is giving out substantial information that may yet lead to the success of their investigation.

...

Of late, the IBP Human Rights fighters were informed of a group of armed men claiming to be elements of the Bangsa Moro Army (BMA) who turned over to the Tugbok Police Station two suspected members of the dreaded NPA Sparrow Unit supposedly captured in a battle skirmish at the Tugbok side of sitio Batalyon. In this development, it can be shown with some amount of certainty that the strongarm of the MNLF otherwise known as the Bangsa Moro Army is actively cooperating with the military in flushing out the ideologically-inspired subversives in the wilderness of Barrio Mandug and Tugbok District.

...

So far, so good! At least the military had not only succeeded in subjugating the rebellious Bangsa Moro Army to its side,

it also triumphed considerably in driving an intriguing wedge between the two insurgent groups by letting loose the marauding BMA to badger the NPA stronghold in the Mandug battlefront. If true, therefore, that the BMA has fied up with the military in its war against the NPA ideologues, then the government armed forces had scored a lot on this point.

...

But that is not the end of it. The growing horror among the civilians caused by the roving band of MNLF rebels dominating their locality, had triggered a mass evacuation of the residents of sitios Uyon Uno, Uyon Dos, and Batalyon to seek refuge in the poblacion of Mandug. Why?

...

With all certainty, the residents of the Mandug suburban sites welcome the government troops which had arrived in their area. For their presence brings about peace in their respective localities.

...

But the sight of heavily armed men in jungle suits with-

out any unit identification as to what military outfits they belong, establishing checkpoints, searching houses and scaring the wits out of the civilians, have virtually terrorized the minds of the residents of those areas forcing them to abandon their homes and seek safety in the more populated poblacion of Mandug. Who are these combatants in military uniform who have sown fear on the civilians of that community?

...

The IBP Human Rights Committee is in receipt of reports that a group of Armalite-totting men in fatigue suits but without any shoulder patches or name plates to identify them and the military units they belong were seen roaming around the poblacion of Buhangin district. Speculation is to the effect that the armed bunch could be rebel-returnees from the Bangsa Moro Army who were inducted to the government armed forces in the military drive against the NPA. But

with no unit identification, what?

...

How many of these armed characters from the rebel group in Mandug were given amnesty and properly inducted to serve in the AFP? And how many of these BMA elements are non-surrenderers but who have teamed up with their comrades in the mopping operations against the NPA in Mandug? Perhaps R-1 knows this.

...

But if the BMA rebel-returnees serving the AFP had been joined by non-surrenderers receiving orders from the military in its offensive against the NPA in Mandug, then there is something queer about the whole setup. For the military is beset by the danger of being infiltrated by the BMA non-surrenderers and the resultant effect of this problem could be disastrous to the government armed forces. A little more clarification from the military to this effect is in order.

CSO: 4200/1074

JAPANESE PARLIAMENTARIAN SEEKS OPPOSITION TIES WITH RP

Quezon City ANG PAHAYAGANG MALAYA in English 9 Sep 84 pp 3, 6

[Text] A visiting member of the Japanese Parliament yesterday promised to initiate the formation of a "super partisan parliamentarian" among opposition members in the Japanese Diet to support the Filipino people's struggle for human rights.

In a dialogue with officials of the Nationalist Alliance for Justice, Freedom and Democracy (NAJFD), representative Takako Doi, Vice President of the Japanese Socialist Party, said she will explore and study ways and means to strengthen solidarity work among parliamentarians to serve as pressure groups in policies that concern Japanese-Filipino relations.

She said the concept for solidarity work started during Sen Lorenzo M. Tanada's visit to Japan several months ago to protest Japan's commodity loans to the Philippines. Takako said Tanada convinced most of the oppositionists in the Diet to support the protest.

"The limitation, however, is that discussions on economic aids are settled between governments," Doi said. The discussion on the \$12 million loan had long been approved before it was brought to their attention, she said.

Doi is on a one-week visit to the Philippines to get first-hand information on the national situation.

During the dialogue, Doi asked to be briefed on the events during and after the Batasang Pambansa election. Surprised and disgusted by the information, Doi said news reaching Japan about the Batasan is very limited.

She also said she will not meet with any government official, saying that she has learned enough of the (Philippine) government side.

"My concern is the other side of the realities," Doi said.

She asked for a regular exchange of communications with the NA and other human rights group, specifying among others the militant labour center Kilusang Mayo Uno.

Among those present during the dialogue were Sen Tanada, Abraham Sarmiento, Fr Joe Dizon, Bobby Tanada, Mita Pardo de Tavera, Dean Armando Malay and KMD top brass led by Lito Villar, Vice-Chairman for International Affairs.

CSO: 4200/10/4

PRIME MINISTER ON PLAN TO CUT MILITARY, OTHER BUDGETS

Quezon City ANG PAHAYAGANG MALAYA in English 9 Sep 84 pp 1, 8

[Text] The government is studying the possibility of removing police forces from the military and placing them under the Ministry of Local Government and Development, Prime Minister Cesar Virata said the other day.

He indicated that this is being studied right now to prune down the proposed big budget of the military.

"The P7 billion proposed budget for the military is somewhat bloated because police forces are included in the military," he said.

Virata said the proposed budget for the police is P1.5 billion. He also told a group of businessmen that closing down so-called non-essential government offices is not an easy thing to do.

But the government, he said, is trying to cut down on costs by eyeing the mergers of certain ministries.

A group is also trying to reduce the number of government corporations. "We want to sell a number of them," he said but declined to say which ones will be sold.

Virata also said the government intends to reduce its corporate investments this year and in 1985. Government corporate investments in 1983 amounted to P18 billion but this will be pruned down to P13 billion this year and will see a further cut next year, he said.

Government corporations which will be affected by this include the National Development Co., the National Power Corp and Semirana Coal Corp.

Virata also said the government's efforts to really trim down its spending is best shown in the proposed national budget for fiscal year 1985.

He said the different government ministries sought a total of P92 billion for their respective budgets for 1985 but this was drastically reduced to P67.3 billion.

CSO: 4200/1074

LETTER SAYS FEW BENEFIT FROM MNLF SURRENDER PROGRAMS

Quezon City ANG PAHAYAGANG MALAYA in English 11 Sep 84 p 5

[Letter to the Editor: "On MNLF Surrenderers"]

[Text: Speaker Macabangkit Lanto of Region XII Sangguniang Pampook must be congratulated for having the courage to reveal in public the royal treatment given by the President to former MNLF commanders who surrendered to the government. However, some points in his statements must be clarified in fairness to majority of the commanders.]

The benevolence of the President can be explained as an attraction to the rebels to surrender. But what our people and majority of the commanders and their men cannot understand is why the favors go to a selected few only. Many of the former MNLF commanders are poor; worse, many of them are jobless. While those who are close to President Marcos or the First Lady are living in abundance, many of them are feeling the pinch of scarcity. While one commander has 7 big houses in Metro Manila and a fleet of cars (under the names of the wives), many of the commanders and their men are still homeless.

The beneficiaries of the logging concessions granted to these commanders are not their men or the Muslims. These commanders entered into a management contract with a certain multi-millionaire Korean national. It is then this Korean national who reaps so much profit while the commanders get only royalty.

If the President is really sincere in dealing with the Muslims, I suggest that the logging concessions granted to some former MNLF commanders be cancelled and issued to a cooperative where all former MNLF commanders and their men will be members. This is the best way to equitable distribution of the benefits.

We call the attention of the BIR and the Bureau of Customs to look into the tax liabilities of these commanders since Assemblyman Odin Abdula claimed that they were not given dole outs but they became rich out of legitimate business operations.



We request Gen Fabian Ver and Brig Gen Luther Custodio to comment on the statement of Speaker Lanto and to my suggestion in order that our people will know the side of the government.

Carim U. Sangcopan  
Cotabato City

CSO: 4200/1074

TOLentino's UN TRIP, US&K ACCESS TO PLUTONIUM DISPOSAL.

Quezon City ANG PARAYAGANG MALAYA in English 11 Sep 84 pp 5, 8

["Town Crier" column by Vic Barranco: "Tolentino's Trial to Presidency"]

[Text]

On or about Sept. 15, Foreign Affairs Arturo M. Tolentino, will have left for New York to attend the opening of the 1984 UN General Assembly. Before that, he will of course exchange views with Ambassador Luis Moreno Salcedo, Philippine permanent delegate to the world organization, on the positions the Philippines will take on various international issues on the UN agenda.

Minister Tolentino's sidetrack mission in America as a member of the Batasan Pambansa, is to gather the latest reports on developments in the US presidential election campaign from the representatives of the political section of the Philippine foreign ministry who have been posted at strategic political points throughout America, and he will then prepare his own evaluation of the prospects of President Ronald Reagan and Walter Mondale for the guidance of Mr.

Marcos in framing his policies toward the United States government in the coming months.

Reagan has already shown his dislike for Mr. Marcos, and would not do anything to help Mr. Marcos maintain a good image among the 52-million subjects of his martial law regime after the assassination of Opposition Leader Benigno S. Aquino, Jr. on Aug. 21, 1983. We recall that Reagan omitted the Philippines on his swing through Far Eastern countries last year, in sympathetic response to the protest of the angry Filipino population over the Aquino liquidation.

Democratic standard bearer Mondale is not friendly either to Mr. Marcos' leadership, because of its repression of human rights and persecution of all citizens opposed to the Marcos chosen form of government.

Mondale, like his former President Jimmy Carter, is an uncompro-

misng champion of human rights and freedom for third world countries, and is therefore frontally against Marcos' political, and economic policies with the dominant, cruel military intimidation.

So, whoever gets to the White House next year, will place Mr. Marcos in a cul-de-sac, in a situation from which there will be no more freewheeling for him with his martial law ways.

...

The other big job of Minister Tolentino in his debut as foreign minister in the UN, is to seek a painless official withdrawal of the Philippine government's claim to Sabah. If he can resist the will of Mr. Marcos on this issue and succeed in the withdrawal of the claim, Mr. Tolentino will do the Asian a great service, steadying the Asian boat on the perilous political, economic and ideological wa-

ters, and establish a basis of lasting peace in the region.

The Malaysian government never believed the repeated announcements by Mr. Marcos through the local and international press services that the Philippines no longer harbors any territorial aggrandizement on Sabah. Put that statement in black and white, was the attitude of the Malaysian government. And the Malaysian position is supported by Prime Minister Lee Kwan Yew and by Indonesian President Suharto, whose country is also apprehensive about the tricks and verbal blinkers that the Philippine interim government today has been resorting to in dealing with its neighbors in Asia.

The Philippines is on clear road to back out of the Sabah colonization adventure. Colonization is now passe in modern international relations, although it takes the form of USSR neo-colonialism. The Philippine government can revert its official claim on Sabah to a status of a private family matter between the heirs of the Sultan of Sulu

who claim they are still entitled to an annual rental of a few thousand dollars under the 19th century contract called "lease in perpetuity" by a now defunct former Hongkong based British trading firm. The rights to all Sabah have been transferred to the independent and sovereign state of Malaysia. Why should Mr. Marcos insist on putting his finger into the political pie of Malaysia?

...

Now we Filipinos may ask Minister Tolentino to do another diplomatic mission, which is to ascertain if there is any contract in force between the Marcos government and Westinghouse, Inc. on the disposal of plutonium which is a strategic byproduct of the atomic reactor in Bataan. Plutonium is used in nuclear weapons.

There are reports that the atomic wastes will just be dumped in the water off Palawan where Russian technologists and scientists, disguised as fishermen, are waiting to retrieve and transfer this plutonium by product and ship it to Vladivostok.

The National Power Corporation should never allow the Russians to get near the atomic plant in Bataan or recover the plutonium wastes reportedly "dumped" in the

South China sea near Palawan. The nuclear bombs that will fall on the Philippines in the event of the outbreak of World War III may be made of plutonium from the Philippine atomic reactor.

Since Mr. Marcos' pet fear is the communist presence in the Philippines, and that he is quick to identify every Filipino who is against his martial law policies, against his financial extravagance, and against his goals of national penury and social decay, a communist or a dissident worth liquidating, why does not Mr. Marcos send his crack troops to Palawan to arrest Russian infiltrators who come in and out of the country freely through Palawan without any official permit, authority or visa? This is a dereliction of a patriotic duty and sacred responsibility to the people, particularly to the Christians in the Philippines who are against the communists.

If Mr. Tolentino can accomplish these missions on Sabah and the plutonium, disposal, he will be hailed as a leader, and he will be politically boosted to challenge Mr. Marcos in the contest for the presidency in 1987.

EDITORIAL VIEWS PANORAMA'S IMELDA INTERVIEW

Quezon City ANG PAHAYAGANG MALAYA in English 10 Sep 84 p 4

[Editorial: "Self-Portrait"]

[Text]

That very interesting article in the Sept. 2, 1984 issue of *Panorama* magazine, on an interview with the First Lady, Mrs. Imelda R. Marcos, has not only become the talk of the town; it has aroused no little amount of controversy.

In that three-and-one-half-hour interview which quoted verbatim the First Lady (it was recorded in tape), she really talked her mind out on most any subject, such as on her work at the MMC and the Ministry of Human Settlements, what she feels about the personal attacks against her, the influence she has with Chinese and Russian leaders, her testimony before the Agrava board, the marriage of daughter Irene, about the President, and about herself as a person.

It is seldom that a public figure of the stature of the First Lady could reveal the kind of a person she is by talking about the most intimate things.

Many say that Mrs. Marcos should not have opened up the way she did but then the only way to understand a person is for her to talk candidly, uninhibitedly, with her hair down, so to say.

Some also say that *Panorama* magazine should not have published everything said, particularly that reference to Chinese and Soviet leaders and that part about daughter Irene's marriage, but the article writer, Ma. Lourdes Mangahas, and the magazine itself felt the interview would serve a purpose and do some public good.

Everything that Mrs. Marcos said was spicy, earthy, verbose, fanciful and indiscreet, to quote a columnist in the newspaper of which *Panorama* is the Sunday magazine. This columnist rebukes the writer of the article with the observation that not everything that Mrs. Marcos said in the interview was "fit to print."

The columnist, "S.W. Yolanda", who is said to be a Malacanang personality, finally chided the First Lady: "All the same, the First Lady, if not Imelda, should note the lesson and from hereon not begrudge the protective virtue of restraint that is the privilege of her position."

The entire interview — no less than a self-portrait — reveals the No. 2 most powerful person in our government for what she is.

VIRATA CLARIFIES STATEMENT ON OFFICIAL GRAFT, CORRUPTION

Manila BULLETIN TODAY in English 14 Sep 84 pp 1, 15

[Text] Prime Minister Cesar Virata categorically denied having said that graft and corruption involving public officials resulted in the loss of billions of pesos and was a major cause of the present economic crisis.

Virata made the denial in an interview by newsmen at his Batasan office last night.

Earlier last Wednesday night, he took the floor to answer questions about his alleged statement.

The transcript of the proceedings which was made available only yesterday showed Virata explaining his duties and functions as minister of finance.

Referring to his speech last Sept 4, Virata said, addressing the speaker:

"Your Honor, I was asked the question during that particular meeting and it says here that 'It seems that your presence may not have been effective in preventing the misuse of funds. Therefore, your presence will mean continuous flow of funds to government which will safely be misallocated. Then perhaps it might be better for the country that you do not lend credibility to the present government.'

"Now there are other statements that followed before that. And to this I replied, Your Honor, as follows: 'As minister of finance, my duties are, of course, to see to it that the revenues of government are provided to the essential services that it wishes to perform or render. And secondly, to provide funds for the different corporate activities that would like to use foreign or domestic sources. But let me go to this question of misuse of funds. What seems to have failed is that government has been supporting many of the industrial, mining, and shipping enterprises. The government handles these investments in such a way that these are reviewed by various boards. And as they are reviewed, it seems that the decision is right at any given time, but when you look back to what happened, it became a bad decision.

"So many of these enterprises, for example, in the pulp and paper, in sugar centrals, in tankers or some in cement, have turned sour and the difficulty on my part as finance minister is to be able to judge these projects at the time they are presented. These studies are presented by the private sector with corresponding project studies. They are reviewed by government agencies and it is difficult to say that the project is not good at a particular stage. In other words, prejudging a particular proponent is very difficult on my part as minister of finance.

"But I think that on the overall basis, it looks like that system failed. We have instituted two years ago a system where government now would not guarantee unless it is joined in by the private sector financial institutions."

Virata said the government is structured in a way that there are many different units and there are units that are assigned to audit transactions.

Structurally, he added, "we have in our Constitution an independent unit that audits activities of government."

"If Prime Minister Cesar Virata will name names, we will drop the motion of no confidence," opposition Member of Parliament Homobono A. Adaza (MA-Misamis Oriental) said yesterday.

Adaza said Virata is the opposition "state witness" in flushing out the identities of those allegedly involved in the graft and corruption which led to the current economic crisis.

Adaza, who initiated the move to get the Batasang Pambansa to withdraw its confidence from the Prime Minister, won the support of the entire coalesced opposition during a caucus yesterday.

The opposition adopted the Adaza draft as its own and created a committee to consolidate all party suggestions on how to strengthen the no-confidence motion.

But, when informed of Virata's scheduled departure for Washington tomorrow, the opposition appeared willing to wait for his return before considering the motion on the Batasan floor. The motion will be filed next Wednesday. It is now being polished by the committee composed of Adaza, Marcelo Fernan (Cebu City), and Luis Villafuerte (Camarines Sur).

Baguio City--Northern Luzon opposition leader Pablito Sanidad said here yesterday he is not in favor of ousting Prime Minister Cesar Virata from his position as called for by opposition members of the Batasan.

Sanidad said the move would conveniently draw away the fire from the President.



He said Virata as prime minister has no real powers under the Constitution.

"It is the President who has control of the ministries and other government agencies which approve the program of government. If there has been failure or corruption, it is the President who is primarily responsible and not those merely following orders," Sanidad said.

"Virata should instead be congratulated," Sanidad said, "for finally being honest and for candidly admitting that major projects of government have failed because of corruption." (ISC)

CSO: 4200/1074

# GNP EXPECTED TO DROP BY 6.5 PERCENT THIS YEAR

HK270349 Manila BUSINESS DAY in English 26 Sep 84 p 2

[Text] The general increase in prices will remain at double-digit rates up to 1986, after averaging 45 percent this year. Because of the debt problem, the total output of goods and services--the gross national product (GNP)--will drop by 6.5 percent this year and by 2 percent next year.

These are the projections made in a study of East Asian economies by Crocker Bank, one of the biggest banks in the U.S. West Coast, owned by the London-based Midland Bank group.

The study says its projections are based on data from the International Monetary Fund (IMF) and the "national sources."

The study points out that during the past year every one of the 12 countries in the East Asian region, except the Philippines accelerated their economic development. The study's data indicate that the inflation rate in the country will be by far the highest in the region. For example, against the 45 percent rate forecast for the country this year, the next highest rate will be registered by Sri Lanka at only 16 percent.

BUSINESS DAY computations indicate the average inflation rate will be slightly higher than Crocker Bank's estimates, at 46.7 percent. The average inflation rate for the first nine months of the year is 47.3 percent, according to official data released for the first eight months and on an estimate by the National Economic and Development Authority (NEDA) that the rate will peak this month at 62 percent. The government has announced a goal of pushing down the rate by December to 35 percent. That would mean a cut in the consumer price index--the measure of changes in prices of a select set of goods from year-ago levels--of at least two points monthly in October and November from the September index.

GNP: The government itself expects a drop in GNP this year, but the 6.5 percent decline projected by Crocker Bank is the biggest forecast so far. Private economist Bernardo M. Villegas has predicted a 6 percent decline, while the Hong Kong based S. J. Rundt and Associates (Asia) has estimated the decline at 4 percent.

The Crocker Bank estimates indicated that a rebound in the economy may occur only in 1986 when, it says, the country's GNP will grow by 4.5 percent.

The study contrasts the decline in Philippine GNP for 1984 and 1985 to the growth it forecasts for all 11 other countries in the East Asian region (excluding Japan). It predicts that Indonesia will register a GNP growth this year of 4.2 percent, Sri Lanka 4.5 percent, and Thailand 5.4 percent.

The study projects the current account deficit of the country this year at \$1.3 billion (less than the official government target of \$1.5 billion), \$1.5 billion next year and \$1.8 billion in 1986.

Interest burden: The study points out that the country last year had the highest ratio of payments on foreign loan interest to export earnings and will continue to have the highest interest burden in the region until 1986.

The study's projections, based on data from the Bank of International Settlements, the World Bank and sources in the Philippines, indicates that interest payments will account for 31.2 percent of exports of goods and services this year, 33.3 percent next year, and 33.2 percent in 1986.

South Korea will have the next biggest interest burden in East Asia, with an interest service ratio of 13.8 percent this year, 13.5 percent in 1985, and 11.4 percent in 1986, the study says.

The study notes that the Philippines, South Korea and Indonesia are the biggest external debtors in developing East Asia. "The Philippines will remain under significant pressure throughout this period (up to 1986) despite an anticipated conclusion to the rescheduling efforts currently under way," it says.

CSO: 4200/6

## INFLATION IN MANILA REACHES 52.6 PERCENT IN JUN

HK251400 Manila BUSINESS DAY in English 25 Sep 84 p 2

[Text] Prices in and outside Metro Manila continued to register double-digit increases in the first six months of the year, latest complete figures culled by the National Economic and Development Authority from the National Census and Statistics Office (NCSO) showed. Reflecting the higher cost of living in the urban areas, the inflation rate in Metro Manila soared to 52.6 percent in June, when the consumer price index reached 285.7 points from 187.2 points a year ago.

Outside Metro Manila, the rate of increase was 48.6 percent, with the CPI [consumer price index] at 273.2 points against 183.9 points in June last year. For the entire country, the general increase in consumer prices was 49.2 percent. The CPI rose from 184.4 points to 275.2, following the June 6 devaluation of the peso and the May elections.

The NCSO figures show a sudden rise in consumer prices from May to June in areas in and outside Metro Manila. In Metro Manila, the inflation rate jumped from 43.2 percent in May to 52.6 percent in June. In areas outside Metro Manila, inflation moved up from 41.9 percent in May to 48.6 percent in June.

Consumer Price Index and Inflation Rate  
(1978 equals 100)

	Philippines CPI inflation Rate (%)		Metro Manila CPI inflation Rate (%)		Outside Metro Manila CPI inflation Rate (%)	
1984						
January	238.2	33.3	250.3	37.5	235.9	31.8
February	245.4	24.7	255.4	42.0	243.5	35.6
March	250.8	39.3	256.4	40.5	249.7	38.4
April	254.6	40.7	258.5	40.7	253.9	40.7
May	258.9	42.1	264.0	43.2	257.9	41.9
June	275.2	49.2	285.7	52.6	273.2	48.6

Source: National Economic and Development Authority (NEDA)

CSO: 4200/6

# FOREIGN FUNDS MISUSE LINKED TO FIRST LADY

Quezon City ANG PAHAYAGANG MALAYA in English 9 Sep 84 p 4

[Article by Joaquin R. Roces in "This Is My Own" column: "The 'Omission of Audit'"]

[Text]

A national leader and his government may not enjoy the confidence nor the credibility of the international community outside his boundaries, but so long as the regime and its leader enjoys the trust and confidence of the people themselves, then the government may continue to operate effectively.

There is, after all, such a thing as *sariling sipap*. China did just that during its first formative years after the revolution and she did have relative progress. It may be true, however, that she would have progressed more if she had had the international community's outside support.

A national leader and his regime may no longer enjoy the confidence and the credibility of most of their own people, but if a significant segment of the international political community prop the regime up, then it may continue to rule effectively; drawing its sustenance from the out-

side. Many unpopular and unloved dictators managed to continue their rule over their own people's wishes protected by foreign interests who did not want a change.

In the case of President Marcos and his KBL government, there is not only lack of credibility and confidence in them right here among us, but a complete lack of credibility and trust in them abroad. And this comes after they have embarked over the last decade on an economic system that is highly dependent on foreign trade and investment support.

So if our dear President does not look out, he may find himself reduced from a war hero and a master politician into a pathetic tragi-comic figure who once electrified his people by many times offering his life in the battlefield to save his country from the enemy, but would not now give up Amendment 6 to save his country from himself.

The Pacific Economic Review in its 13th of September issue for this week, reports that the United States voted against a World Bank loan to the Philippines last September 4. It is interpreted as a "significant gesture to distance (the US) itself from the government of Philippine President Ferdinand Marcos! And is described as "this open display of Washington's displeasure with Manila which is expected to have repercussions on any new commercial lending to the crisis-ridden country."

"It is quite extraordinary," continues the Economic Review's article, "that while most of the dictators the US backs abroad have some supporters in the (US) congress, Marcos has none."

"The most influential congressional leaders of both the republican and democratic parties are also believed to be frustrated at Marcos expending all his energies to stay

in power instead of attempting to solve the country's fundamental problems of the economy and communist insurgency."

The International Currency Review, which is published in London and is respected in the financial world has a full article on what they call irregularities in the use and disposition of hundreds of millions of dollars we have been receiving from the use by the Americans of their bases here. There are statements there that cannot be left unanswered by our government should they not be true.

Like the following:  
"Since it (the dollars) is rent, rather than assistance money earmarked

for specific projects, the Philippine authorities can do what they like with the funds. A General Accounting Office report published on January 27, 1984, clearly identifies Mrs. Marcos as being in control of the money.

"Referring to a proposal for a Clark Field area for development, for which the US has already advanced the millions of dollars, the report states: "Mrs. Imelda Marcos would appear to have (a) secured access to a flow of discretionary dollars provided from off-Federal budget resources, the use of which is not being properly accounted for, and (b) ensured that it is not being applied to agreed projects because

(conveniently) the military haven't designated an appropriate local agency to take charge.

"What is clear is that the funds are not being spent on all agreed projects, are paid for in advance - contrary to the normal US treasury practice - and are not properly accounted for."

All the above come from a report of the US General Accounting Office which goes through every centavo owned and spent by the American people. We do not ever find out these things about our own money here in the Philippines ever since the new society replaced what was then the General Auditing office with the Omission Of Audit.



# SEC DISSOLVES 115 FIRMS IN SEVEN MONTH PERIOD

Manila BULLETIN TODAY in English 19 Rep 84 p 17

[Text]

The Securities and Exchange Commission (SEC) has dissolved 115 firms during the past first seven months of this year, slightly more than the 113 companies dissolved in the same period last year.

SEC records showed that the cumulative total paid-up capital of these firms amounted to P233.2 million, 27.2 per cent lower from the January to July period last year.

This would mean that firms bowing out of business last year were smaller in capital than those that went out of business last year, the SEC analysts said.

The wholesale and

retail trade industry registered five firms that shortened their terms of existence while the financing, insurance, real estate and business service sector lost three companies. However, two firms in the agriculture sector that closed shop during July reflected a bigger paid-up capital (P29.5 million) at the time of dissolution against those in the other industries mentioned by an average of 25.5 per cent.

Thirteen out of 14 firms that bowed out from operations were located in the national capital region, the seat of most business establishments. These firms had a total paid-up capital of P51.7 million.

CSO: 4200/1074

**EIGHT MOURNERS SLAIN AT WAKE**

Manila BULLETIN TODAY in English 12 Sep 84 pp 1, 11

[Text] Eight civilians were killed and six others were injured when heavily armed men sprayed with bullets a group of people attending a wake in Logitip, Macurong, Lanao del Sur, last week.

A belated report reaching Camp Aguinaldo yesterday said the terrorists, reportedly belonging to the Moro National Liberation Front (MNLF) were led by a certain Commander Villa, a former councilor of Lumbatan, Lanao del Sur.

The identities of the casualties were not disclosed in the report. Those wounded were taken to the Malabang hospital in Macurong.

Meanwhile, the MNLF was reported losing influence in Southwestern Mindanao because of alleged intense rivalry among various MNLF factions in the area, said Maj Gen Josephus Ramas, Army chief, who has just returned from an inspection of Army units in Mindanao.

Citing intelligence reports, Ramas said that in particular, the Buwayan revolutionary committee under the Salamat faction is experiencing a leadership crisis.

He said this has practically crippled the MNLF organization and has caused dissatisfaction among many MNLF members who have threatened to yield to the government.

CSO: 4200/1074

## BRIEFS

**NEED FOR RALLY LEGISLATION**--Justice Minister Estelito Mendoza yesterday [28 September] stressed the need for new legislation on demonstrations and rallies to prevent violence. Mendoza, the chairman of the Batasan committee on justice, said his committee will meet to discuss procedures on an investigation in aid of legislation of Thursday's dispersal of demonstrators at the Manila-Quezon City boundary [sentence as heard]. During a breakfast conference with Batasan newsmen, Mendoza said the purpose of the inquiry is not to determine those responsible for the violent incident, but to find out what rules or guidelines should be formulated governing mass action. [Text] [HK290039 Manila Far East Broadcasting Company in English 2300 GMT 28 Sep 84]

**LEGAL FEES IN LIBEL CASES**--The Supreme Court, in a move to strengthen press freedom, is imposing legal fees on libel cases filed in court, beginning 1 October. At present the court requires a filing fee only for civil cases involving libel. Such filing fees will also be raised by 100 percent effective 1 October. Chief Justice Enrique Fernandez said the decision to impose fees on the filing of libel cases is consonant with the court's desire to help enhance and strengthen press freedom in the country. [Text] [HK290043 Manila Far East Broadcasting Company in English 2300 GMT 28 Sep 84]

**RADIO, TV STATION REDUCTION**--The number of radio and television stations in the country will be reduced, according to Transportation and Communications Minister Jose P. Dans. He revealed that it is a matter of government policy to regulate ownership and operation of radio and television stations, to enhance quality and viability in the broadcast industry in line with public interests. Realizing the difficulty of outright closure, Mr Dans said the government will encourage mergers. Meanwhile the National Telecommunications Commission (NTC) will start giving franchises to radio and television stations next month. NTC Commissioner (Safarino Carayon) said issuance of franchises will end the uncertainty among the country's station owners. [Text] [HK290041 Manila Far East Broadcasting Company in English 2300 GMT 28 Sep 84]

**NAPALM INVESTIGATION**--The Batasang Pambansa Committee on Justice, Human Rights, and Good Government is ready to conduct an inquiry on the alleged use of napalm bombs by the military in anti-insurgency operations in Mindanao. Justice Minister Estelito Mendoza said yesterday [26 September] they will accept the responsibility if that is the mandate of the batasan to conduct a credible legislative inquiry into the case. [Text] [HK270859 Manila Far East Broadcasting Company in English 2300 GMT 26 Sep 84]

**CPP PLAN TO OVERTHROW GOVERNMENT**--A self-confessed officer of the outlawed Communist Party of the Philippines [CPP] has revealed a 10-year plan of the party to overthrow the government. Wilson Lucero, secretary of the CPP Central Luzon regional commission, said the party's plan, launched in 1982, is meant to overthrow the government through armed struggle and insurrection. Lucero made the disclosure during a civic-military [word indistinct] sponsored by [words indistinct] in Talavera, Nueva Ecija. Lucero said the party's 10-year plan originally involves a set of tactical offensives in Northern Luzon, Mindanao, and some provinces in the Visayas. He added that in another plan the CPP would instigate antigovernment demonstrations and rallies and foment labor unrest to induce strikes. [Text] [HK271329 Quezon City Maharlika Broadcasting System in English 1100 GMT 27 Sep 84]

**COMMENT ON AUSTRALIAN RELIEF**--Relief goods given recently to typhoon victims in the south are surplus items from the joint food program of Australia and the Philippines and are not a direct donation from the Australian Government. This was declared by Social Services and Development Minister Sylvia Montes in the wake of reports that the relief goods were in boxes stamped on one side with the word nutripak and on the other with a gift of President Marcos. According to Montes, during the past 8 years the Australian Government has been giving, through the auspices of the Ministry of Social Services and Development, food aid for malnourished schoolchildren living in day-care centers throughout the country. [Text] [HK251146 Manila Far East Broadcasting Company in Tagalog 1000 GMT 25 Sep 84]

**ENVOYS PRESENT CREDENTIALS**--Two new ambassadors to the Philippines today presented their letters of credence to the president in a ceremony at Malacanang. The president first received Chinese Ambassador (Chen Songlu). The president told the new Chinese envoy that he is pleased with the great strides made in RP-China relations and the increased bilateral exchanges in culture, science, and technology. The president also expressed hope that China would succeed in its current modernization program because China's growth is important to peace in the region. In a similar ceremony, the president told Iraqi Ambassador ('Arafat Muhammad Ali Karim) that the Philippines and Iraq will continue to work for peace and the progress of their people. The president noted that in the past, both nations had launched many joint ventures which proved successful. [From the "Newswatch" program] [Text] [OW281435 Quezon City RPN Television Network in English 1100 GMT 28 Sep 84]

**MORE ENVOYS' CREDENTIALS**--The president has thanked the Government of Kuwait for supporting Philippine efforts to achieve economic and political stability. The president made this statement during the presentation of credentials of Kuwait's ambassador to the Philippines (Abdul Hadji Alnamid). During the presentation rites, the president cited the position adopted by Kuwait regarding the secessionist movement of the south that the issue is a national problem and should be resolved in the context of Philippine sovereignty and territorial integrity. The president also received the letters of credence of the new French Ambassador to the Philippines (Jacques LeClerc). The president cited France as an important trading partner and expressed confidence that Philippine-French relations could further be improved. Another Malacanang caller was (Robert Dawson), deputy commissioner general of Expo 86 in Canada. (Dawson) invited the Philippine Government to take part in the exposition. [Text] [OW270130 Quezon City RPN Television Network in English 1100 GMT 26 Sep 84]

CSO: 4200/6

## VOMD ON LEE KUAN YEW'S 'REACTIONARY' POLICIES

BK151652 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 13 Sep 84

["Talk on current events": "The Lee Kuan Yew Clique Implements Antipeople Reactionary Policies"]

[Text] The anti-British national liberation war waged by the people of our country successfully dealt a devastating blow to the British imperialists. Great Britain was forced to recognize the independence of the Federation of Malaya in 1957 and grant Singapore self-government in 1959. The British imperialists subsequently brought Tengku Abdul Rahman and Lee Kuan Yew to power to preserve their existing interests.

Singapore was free from direct British colonial rule and became a self-governing state 25 years ago. General elections were held on 30 May 1959 under a new constitution. By manipulating the support of the Singapore people, who steadfastly opposed colonialism, and soon after achieving self-government for Singapore, the Lee Kuan Yew clique apparently adopted anticommunist and anti-people policies and maliciously arrested and imprisoned patriotic and anti-colonialist fighters, including progressive figures who had actively participated in and exerting their utmost efforts to support the struggle for the independence of Malaya, including Singapore. It banned all progressive trade unions and mass organizations and frenziedly suppressed progressive movements.

Later, the Lee Kuan Yew clique brought Singapore into the Federation of Malaysia for about 2 years and arrested or exiled a large number of patriots who courageously led a struggle against persecution. After Singapore broke away from Malaysia, the Lee Kuan Yew clique took various tyrannical and treacherous measures to discredit opposition parties, deprived the people of freedom of speech, union, press and assembly, and banned labor strikes.

Holding various activities this year to commemorate the 25th anniversary of Singapore's detachment from direct British colonial rule, the Lee Kuan Yew clique boasts of the services rendered by the People's Action Party [PAP] and the so-called victory of the party in general elections. It is public knowledge that during the last 25 years, the PAP has claimed victory in every general election

in a democratic way under the principle of one man, one vote. However, its victories have actually been won by resorting to imperialist methods and violence of the state machinery to deprive opposition parties of their democratic rights and intimidate voters supporting the parties. During the last 25 years, the Lee Kuan Yew clique has not lessened its dictatorial rule and the domination of political power by the PAP. This is fully proved by its actions ranging from using various ways to control the Socialist Front to [words indistinct] J.B. Jeyaretnam of the Workers' Party, the only opposition MP in the present Singapore Parliament.

Recently, the PAP once again resorted to a new trick under which it would provide opposition parties with several seats in parliamentary elections scheduled for this year. It apparently wants to help the opposition parties. However, it is actually generating public opinion and finding a way out because it cannot dominate all future seats although various treacherous tricks are used.

Thanks to Singapore's geographically good location, the Lee Kuan Yew clique links the artery of the Singapore economy with various monopoly capitalist groups. Thus, Singapore has become a center of the activities of monopoly capitalist groups and transnational corporations from the United States, Japan, Great Britain, and others to export capital, dump commodities, and exploit natural resources in this region in addition to becoming a base for the imperialists to extend their powers.

According to the first mid-term economic review this year announced by the Singapore Government last March, foreign capital invested in Singapore amounts to 19,429.2 million ringgit, or about 39.18 percent all the capital investments in Singapore. The foreign capital investments, totaling almost 20,000 million ringgit, do not include investments in all industrial sectors now in production. If these investments were included, the total foreign capital investment would far exceed 20,000 million ringgit. While the development of the foreign capitalist groups sees rapid growth, national industries and businesses and small holders in Singapore are further pressed.

In accordance with the situational development, the Singapore Government carried out the so-called high wage policy due to the lack of manpower energy and also as a result of its rapid population growth. In truth, this policy is another of the government's tricks to intensify exploitation of the workers. Under the guidelines of the wage increment proposed by the National Wage Council and issued by the Singapore Government, even though workers' wages had been increased annually for the past few years, the cost of living and taxes have risen accordingly. It is said that, starting 1 July this year, the rate of the provident fund for the employer and the employee has risen from 23 percent originally to 25 percent, totaling 50 percent. Moreover, with the spiraling rate of inflation and high cost of living, a large portion of wage increment has been cut down. To bring about new ideas suitable to themselves and the need for monopoly investment among the workers, the ministers and the workers union groups continuously harped on the state economic crisis problem faced by Singapore due to the rapid development of production. The government also



launched a so-called national productivity campaign, centering its attention on the method of saving manpower and making people work harder in creating a higher profit for the international monopoly investment groups and trans-national companies that make Singapore a base for their activities.

The Singapore people are faced with several types of suppression under the Lee Kuan Yew authorities. Goh Keng Swee, a close friend of Lee Kuan Yew, with all his efforts led and exposed the people to the ideological and organizational views; for example, to create the youth leadership crisis and the center for the study of political background of undisciplined workers and establish a people's union with the aim of controlling the social sector and youth activities, forcibly implanting anticommunist and antipeople thoughts in the armed forces, restructuring the multi-medium educational system in Singapore in the hope of implementing reactionary theories such as the (?Ellis) and genetic theories, destroying the private news companies, restructuring the Singapore broadcasting department, and so on. The people bear hatred toward the Lee-Goh action that destroyed the position of their mother tongues. After Singapore attained self-government, the clique raised high their banner and declared the four languages--Chinese, Malay, Tamil, and English--to be of equal status. Not only did they help concerning the education of the mother tongues, but placed them in several educational systems [word indistinct] teacher selection, examination, finance, and in the completion of studies in schools. The schools with the medium of their own mother tongues are in a poor state and become completely deprived of fair competition against the English medium schools. Since the mid-1970's, the Tamil and Malay language medium schools have become nearly extinct. Starting next year, the Education Ministry will not have any more schools with the Chinese language. The educational language policy has been enslaved by economic policy. The Lee-Goh clique, which depends on imperialism for its political, economic and military views, surely will practice the policy which only shuts out the education of the ethnic languages of the various people but upholds the English language in the language education view.

This year, the genetics theory or the achievement of the ideal child, which has been exposed in Lee Kuan Yew's speech during last year's national day, has been elevated to national policy status and will be implemented with the creation of the genetics system. First, he encourages highly educated women to bear more children and also says that highly educated women can enjoy the exemption of tax, their siblings will be given priority enrollments in the elite schools, and so on. Recently, he further announced steps to encourage sterilization whereby mothers under 30 years of age who have been sterilized after giving birth to their first or second child will be awarded S\$10,000 by the government if their collective monthly family income does not exceed S\$1,500 and their educational status does not exceed the fourth secondary level. Although the elite society proposals remains strong, it will still be very controversial and we still will be able to uncover the ulterior genetics theory which Lee Kuan Yew advocates. Lee Kuan Yew's presumptions of the genetics, a source which is responsible for

the genetics issue, will ensure the intelligence status of a person, only further intensify the indications of an imbalanced society, and will not be able to narrow the rich-poor gap. He encouraged highly educated mothers to bear more children, while he encouraged less educated mothers to be sterilized. By this action, he has openly disgraced the middle and lower strata of the society. The reactionary government's motive of opposing the middle and lower masses is fully exposed.

As for what are called the 25th anniversary national day celebrations, although the Lee Kuan Yew clique was preening their feathers and blowing their own trumpets with the imperialist monopolists and a handful of their supporters praising them sky-high, all the people of Singapore know how the success of their struggle and this while has been snatched from them and destroyed by the Lee Kuan Yew clique. [sentence as printed]

CSO: 4213/277

## FOREIGN MINISTER VISITS BRAZIL

BK160939 Bangkok Voice of Free Asia in English 1030 GMT 14 Sep 84

[Text] Foreign Minister Air Chief Marshal Sitthi Sawetsila arrived in Brazil on 10 September on the first leg of his visit to Latin America, the United States, and Japan. On his arrival in Brazilia, Air Chief Marshal Sitthi was greeted at the airport by Ambassador [as heard] Ramiro Saraiva Guerriero, minister of external relations, and other high-ranking officials, as well as ASEAN ambassadors in Brazilia.

During the meeting of the two foreign ministers, Air Chief Marshal Sitthi expressed gratitude for warm hospitality and excellent arrangement prepared for him. He also expressed satisfaction at the good relationship between Thailand and Brazil. [words indistinct] and agreed that possibilities for increased contacts should be explored. Moreover, the Brazilian foreign minister also reaffirmed Brazil's support for Thailand's candidature for the UN Security Council's seat.

Air Chief Marshal Sitthi later paid a courtesy call on Mr Joao Baptista de Oliveira Figueiredo, president of the Federative Republic of Brazil. Air Chief Marshal Sitthi also delivered him a good-will message from Prime Minister Prem Tinsulanon. In the note, the premier expressed desire to strengthen bilateral relations between the two countries. As regards Thai-Brazilian economic relations, he hoped that authorities and businessmen of the two countries could exchange more visits so that better understanding could be developed (?as well as) a strengthening of bilateral relations.

In the speech delivered by the Brazilian foreign minister at a banquet hosted for Air Chief Marshal Sitthi in the evening of 11 September, emphasis was put on Brazilian-Thai relations, the need for increased cooperation, and Brazil's interest in the role played by ASEAN. On the Kampuchean question, he said that he was satisfied that Brazil had been supporting the UN resolutions on the situation in Kampuchea. He agreed with the call for the withdrawal of the invading troops from Kampuchea under the supervision of a peace-keeping force of the United Nations, the restoration of Kampuchea's independence, and self-determination.

The Thai foreign minister on 12 September signed with his counterpart two agreements on trade and scientific and technical cooperation.

Air Chief Marshal Sitthi yesterday left Brazil for Uruguay on the second leg of his four-nation tour of Latin America.

NATION REVIEW DISCUSSES NUCLEAR-FREE ZONE

BK240151 Bangkok THE NATION REVIEW in English 24 Sep 84 p 4

[Editorial: "Will a Nuclear-free Zone in ASEAN be Practicable?"]

[Text] Malaysia, which is now the chairman of the ASEAN Standing Committee, egged on by Indonesia, has recommended a nuclear-free zone in the area controlled by the six members. It can be called an extension of the zone of peace, freedom and neutrality (ZOPFAN) concept, but the timing is strangely coincident with the confusion caused by the new New Zealand Government, which might have some long-range repercussions.

New Zealand Prime Minister David Lange, in conformance with his Labour Party consensus, has banned all U.S. nuclear-powered warships from New Zealand's ports as well as conventional warships if they do not end the traditional policy of refusing to say if any of them carried nuclear arms. At the moment, this has put the ANZUS (Australia-New Zealand-United States) defence alliance into jeopardy and some sort of a solution might be worked out when Lange meets U.S. Secretary of State George Shultz this week in New York during the General Assembly session.

The reason that Lange gives is pure idealism: "Our battle is not with America, but against the escalation of nuclear weaponry and the arms race." But Lange does not explain how banning U.S. nuclear warships from his country's ports is going to reduce nuclear weapons or halt the arms race. There is nothing wrong in resorting to idealistic fervour and New Zealand is unlikely to suffer anything from the scrapping of ANZUS, ANZUK, or the five power defence treaty which includes Singapore and Malaysia.

ASEAN's ZOPFAN concept has been in the books for a decade or so and since that requires guarantees by the big powers, it has been in limbo until now. Is it possible for ASEAN to declare a nuclear-free zone and implement it? The first thing to consider is the American bases in the Philippines--Subic Bay and Clark Air Force Base--both of which are likely to contain nuclear bombs or nuclear-tipped missiles.

Further, ASEAN must also consider Cam Ranh Bay base of the Soviet Union which also is likely to contain nuclear bombs and missiles. For that matter, even the SS-20 missile batteries in Siberia are reported to have both Thailand and

Philippines within their range. If ASEAN falls for the kind of idealism that Lange preaches, the member countries must first consider whether the implementation of a nuclear-free zone is possible, considering that the Philippines goes along with that.

The region controlled by ASEAN contains three important international waterways--the Straits of Malacca, Lombok and Sunda. A nuclear-free zone will be totally impractical and become just words if these straits, which link the Pacific and Indian oceans, are also not included. It is common knowledge that warships of both superpowers traverse the Straits of Malacca with nuclear weapons in them and is it possible for ASEAN to keep the straits free from such warships? The idea sounds good, but it will not contribute to prevent the escalation of nuclear weapons as Lange seems to think. ASEAN must discuss this point at the highest level before coming to any decision about the matter.

CSO: 4200/18

## MILITARY RESHUFFLE SHOWS PREM STILL IN CONTROL

BK221224 Bangkok MATICHON SUT SAPDA in Thai 16 Sep 84 p 7

[Text] The political atmosphere has improved since parliament voted to postpone the motion seeking reinterpretation of the Constitution and since the annual military reshuffle list was announced. Nevertheless, a group of MP's and senators again initiated a move to reopen the parliamentary session under the pretext that there is a backlog of bills to be debated. In fact, their hidden motive is to push ahead the constitutional amendment, paving the way for permanent officials to be entitled to hold political posts and for a change in the election method.

Meanwhile, a well-known senator, Colonel Thani Seniwong Na Ayutthaya, proposed that a committee be set up, apparently comprising parliamentarians as members, to review and revise the Constitution. This idea seems to coincide with that of the president of Parliament, Ukrit Monghonnawin, who also proposed that a committee of parliamentary officials be set up to study an amendment to the Constitution. It is not known whether the two persons are sincere in their proposals or are only trying to push ahead the move to amend the Constitution to serve the above-mentioned purpose.

It is a fact in Thai history that the military has always had a role in politics. This is especially true with the military under the leadership of General Athit Kamlang-ek, who is supreme commander as well as Army commander in chief. A faction of military officers has initiated several political moves, starting with the move to amend the Constitution which was defeated under the rules of politics. They proposed an extension of General Athit's official term after his retirement. They submitted a motion to reinterpret the Constitution, but the effort was thwarted.

As the military has an important role in Thai politics, military men, therefore, hold a significant place. An example is Prime Minister Prem Tinsulanon himself who, although no longer in active service in the Army, still wields influence which has been accumulated and is growing with every passing day. This is why he has always been able to hold his power up to now. During a period, General Prem had to cope with his illness while being pressured by political tension and compelled to make certain decisions. This made other people think that his political position was precarious and that he would not be able to survive. They thought either General Prem would have to resign or dissolve Parliament as a way out because he no longer had the support of the military. But it was not so. General Prem continued to enjoy strong support from the



military as well as the political parties forming his coalition government. He could manage to brave all storms. One thing to prove that General Prem still has influence is the recently announced military reshuffle list. Although the list is drawn up through compromise it shows that General Prem in his capacity as the defense minister had a bigger say in the appointment than General Athit who is directly in charge of the Armed Forces.

A few days after the reshuffle list was announced, a group of newly promoted key commanding officers who are graduates of Chulachomklao Military Academy Class 5 called on General Prem at his Sisao Thewet residence. They are: Major General Itsaraphong Nunphakdi, promoted from commander of the 6th Infantry Division commander of the 1st Division; Colonel San Siphon, promoted from deputy commander to commander of the 2d Division; Colonel Ariya Uthotkit, promoted from deputy commander to commander of the 2d Army Cavalry Division; Colonel Phuchong Ninkhan, promoted from deputy commander to commander of the Artillery Division; Colonel Choetchai Thiraththanon, promoted from deputy commander to commander of the 9th Infantry Division; Colonel Woraphim Ditsayabut, promoted from deputy commander to commander of the 11th Division; Colonel Chanlaeng Uchukomon, promoted as 1st Army Region chief of staff; Major General Wimon Wongwanit, commander of the 1st Warfare Division; Major General Khachon Ramanwong, commander of the 2d Warfare Division; Major General Wirot Saengsanit, commander of the Artillery Division; and Major General Suchinda Khraprayun, director of Army operations.

According to a report, the meeting was marked by a warm atmosphere. Major General Suchinda Khraprayun, representing the group, thanked General Prem for his confidence in them. General Prem reportedly told the group: "If you have a plan to do something, don't do it. What you only have to do is to come and tell me that I am no longer in shape. I would then be willing to give up my office." The group was reportedly overwhelmed with sympathy and Maj Gen Itsaraphong and Maj Gen San reportedly told General Prem: "From the day you moved up from Army chief to become prime minister, have we ever done anything against you? We never have."

The source also reported that the group of officers of Chulachomklao Military Academy Class 5 held meetings regularly to exchange their views and they vowed to support General Prem as prime minister until he is no longer physically fit. They also vowed not to stage a coup and to oppose any coup attempt.

This is a proof of the strength of a 64-year-old man like General Prem. A rumor that he would give up his office during his absence in the United States for a medical checkup is therefore more of another effort to shatter his position. What is worth watching next is the reshuffle of military officers at the ranks of deputy division commanders and regiment commanders. It seems that graduates of Classes 7, 8 and 9 will be promoted to those positions.

PAPER GIVES DETAILS OF MILITARY RESHUFFLE

BK250210 Bangkok BANGKOK POST in English 25 Sep 84 p 2

[Text] Maj-Gen Phichit Kunlawanit will take over from Lt-Gen Phat Urailloet as first army commander at a ceremony on Friday evening.

The First Army Division commander will hand over his work to Sixth Army Division Commander Maj-Gen Itsaraphong Nunphakdi, whose appointment takes effect from 1 October.

Meanwhile, it was reported that the army has announced the reshuffle of the first batch of 155 army officers holding the rank of colonel.

First Infantry Regiment Commander Col Bandit Malai-arisan, Col Phadet Wanaphuti of the 11th and Col Watthana Bunyasit of the 31st were unaffected by the order. Cols Yutthasak Sasiprapha and Watthana Sanphanit, deputy commanders of the 31st Infantry Division, also remain in their positions.

These colonels are key military figures who are known to be very close to Gen Phichit.

Anti-aircraft Division Chief of Staff Col Karun Saimuanwong, however, was promoted to deputy commander while Col Prasert Chumunwai, commander of the 2d Anti-aircraft Artillery Regiment, was made chief of staff of the anti-aircraft division. Col Samphao Chusi, deputy commander of the 2d anti-aircraft division was promoted to commander.

Col Channan Pasunan, deputy commander of the First Artillery Division was made commander while a close aide to Supreme Commander Gen Athit Kamlang-ek, Lt-Col Konthi Suwanrat, commander of the 1st Artillery Battalion, was promoted to deputy division commander.

CSO: 4200/18

COLONELS RETAINED IN RESHUFFLE TO ENSURE STABILITY

BK190427 Bangkok BANGKOK POST in English 19 Sep 84 p 1

[Article by Yuwadi Thanyasiri]

[Text] The commanders of several infantry regiments in and around Bangkok will retain their present posts in the upcoming reshuffle to ensure a balance of power and stability in the army, the BANGKOK POST was told yesterday.

Among those to retain their posts after the reshuffle involving colonels and junior officers will be Col Bandit Malai-arisun, commander of the 1st Infantry Regiment; Col Phadet Wanaphuti of the 11th; and Col Mount Khilaimani of the Chon Buri-based 21st.

The 1st and 11th--the most powerful Bangkok-based infantry units--have played important roles in the political scene and their commanders are said to be loyal to First Army Region commander-designate Maj-Gen Phichit Kunlawanit.

The report came in the wake of yesterday's gathering of regiment and battalion commanders--and some Young Turks--in the Bangkok area. The gathering, ostensibly called to celebrate the birthday of a journalist with close military links, was seen as a show of force by Maj-Gen Phichit and his followers to a rival group after the confused arrests of Young Turks Col Manu Rupkhachon and Col Bunsak Pocharoen over the weekend. Maj-Gen Phichit played a key role in the release of the two ex-officers.

The group is purportedly the rival to the Chulachonkiao Royal Military Academy's Class 5 graduates, who are close to Deputy Army Chief-of-Staff Lt-Gen Chawalit Yongchaiyut. Several former Class 5 graduates were promoted to powerful divisions in the annual reshuffle announced this month. They were also alleged to have been behind the arrests of the two Young Turk officers, a charge they deny.

After the birthday gathering, former Young Turk Col Prachak Sawangchit attacked Prime Minister Prem Tinsulanon saying he had failed to provide good political leadership. He also said the proposed reinstatement of 39 officers dismissed for their part in the abortive 1981 coup was now with the prime minister.

Colonel Prachak then went on to call for unity among the people and the Armed Forces to solve national problems.

SOUTHERN ANTI-INSURGENCY OPERATIONS DISCUSSED

BK210919 Bangkok BANGKOK WORLD in English 21 Sep 84 p 3

[Text] The Communist Party of Thailand [CPT] in the South has resorted to trading in narcotics in addition to illegal logging and mining in an effort to raise money, Fourth Army Region Chief of Staff Maj-Gen Thanaphon Bunyopatsadam said yesterday.

He said the insurgents are now also trying to mingle with the people in communities rather than staying in large jungle camps, he said.

Major-General Thanaphon said the recent ambush against army-trained rangers was the work of CPT insurgents led by Comrade Channan or Chiao Rattanaburi and Comrade Kaeo.

He revealed that Comrade Channan used to lead insurgents at 508 Camp in Chong Chang in Ban Na San District of Surat Thani.

After the camp was overrun by government forces, the insurgents resorted to seeking income from illegal loggers and miners in Tha Sala District of Nakhon Si Thammarat Province, he said, adding that the Fourth Army is having a campaign against them.

Major-General Thanaphon said that the Fourth Army Region commander formulated a policy for the Fourth Army in 1985. The policy places emphasis on solving the problems of rubber planters such as prices and quality because four out of seven million people in the South make their living from rubber and rubber plantations covering more than nine million rai of land in the region.

The Fourth Army chief of staff stressed that this policy follows Prime Minister's Order 66/23. A programme has been established to help rubber planters and "the Organisation of Southern Rubber Planters" has been set up.

According to the programme, personnel from 30 Santi Nimit units throughout the region will be sent to various localities to help train villagers on new technology for producing quality rubber, he said.

The programme will help improve the region's economy and eliminate conditions for the CPT revolution, he said.

Meanwhile, Col Wichian Sunthonket, a representative of the Internal Security Operations Command (ISOC), revealed that a ceremony will be held on October 15 to receive 210 muslim bandits who defected from the Pattani United Liberation Organisation (PULO) and the Barisan Revolusi Nasional (BRN).

The ceremony, to be held in front of Pattani Provincial Hall, will be chaired by Supreme Commander and Army Commander in Chief Gen Athit Kamlang-ek.

CSO: 4200/1075

## OFFICIAL PREVIEWS UNGA SESSION

BK220042 Bangkok THE NATION REVIEW in English 22 Sep 84 pp 1, 2

[Text] The Association of Southeast Asian Nations (ASEAN) will propose two new resolution on the Kampuchean problem at the 39th United Nations General Assembly next month, a senior Thai Foreign Ministry official said yesterday.

Nit Phibunsongkhram, director general of International Organization Department, told a press conference that one of the two resolutions would be the stepping up of publicity on the work of the UN-sponsored International Conference on Kampuchea (ICK).

Chairman of ICK Willibald Pahr recently said here that ICK must find ways to implement the UN resolutions which call for a total withdrawal of Vietnamese troops from Kampuchea and the holding of free elections under international supervision.

Nit said that the other one would deal with human rights in Kampuchea including the Kampuchean refugees living along the Thai-Kampuchean border. He said that Thailand expected to receive enough support to win the non-permanent seat in the United Nations Security Council vis-a-vis Mongolia.

If the Laotian Government brought up the issue of the Thai-Laotian border conflict, Nit said, Thailand would be ready to provide an explanation to the UN members because it was Thailand's policy to adhere to the principle of the UN charter.

An informed source told THE NATION that the Laotian Government would mention the dispute involving the three villages along the Thai-Laotian border in its address to the United Nations next month. However, Foreign Minister Sitthi Sawetsila said here recently that Thailand would not mention the conflict because of its bilateral nature in his address to the world body on 2 October.

Nit said that the question of who will get the vacant security seat will be decided in mid-November.

CSO: 4200/1075



## EDITORIAL VIEWS APOLOGY OF 'YOUNG TURKS'

BK220224 Bangkok THE NATION REVIEW in English 22 Sep 84 p 4

[Editorial: "An Apology Ends a Lot of Confusion"]

[Text] What had appeared to be a worsening crisis has fizzled out in a formal ceremony at the Capital Security Command yesterday when an apology was tactfully rendered and gracefully accepted. Although everybody except the Young Turks and the journalists denied knowledge of it the previous day, everybody seems to have been well-prepared. We always have some suspicions about formal ceremonies since they do not seem to convey the real meaning. For instance, when the American ambassador presents his credentials to the Soviet President, the formality seems to hide all real intentions.

But has the crisis, if there really was one, passed away? Of course we know that it was a confrontation between Class 5 and Class 7 but would it have ended in fisticuffs? (Whatever happened to Class 6) But the standards which are used in other countries are not applicable to Thailand where politics is concerned. If we can extract one fact from all this welter of confusion it is that the Young Turks want to be reinstated in the army. (We are deliberately trying to ignore the question of pension because we do not know how to equate reinstatement with pension.)

The Young Turks, all of Class 7, were removed from their military positions because the April Fool coup attempt of 1981 was foiled. In any other country it would be called the use of violence to overthrow a legally elected government and the offenders, if unsuccessful as the Young Turks were, will be severely punished. Not so in Thailand. Coups d'etat have been a way of political life in Thailand and those who fail in the attempt or those who are toppled from power never punished—there was only one exception that proves the rule.

However, Supreme Commander Gen Athit Kamlang-ek said that he would recommend their reinstatement and, after receiving the apology, Deputy Army Chief-of-Staff Chawalit Yongchaiyut said that he was also for the reinstatement but it will take some time because of some legal problems. So, we may be correct in saying that temporarily the problem has been solved.

The confusion that has been worrying everybody has now evaporated. But that does not mean that there will not be another political crisis sooner or later? For the present at least, the rumour-mongers who have been extremely busy during the past few weeks will be unemployed.

## EDITORIAL ON UNITY AMONG ARMED FORCES

BK190241 Bangkok THE NATION REVIEW in English 19 Sep 84 p 4

[Editorial: "Confusion and Rumours Must Come to an End"]

[Text] There seems to be serious political confusion, mainly involving the military and the police, which is going on now and nobody is able to clearly grasp the issues involved. Newspapers and political commentators are themselves confused and they are only passing on the confusion to the people. One of the most dangerous situations in Thailand, as we have frequently written in these columns, is that confusion breeds rumours and rumours have a strange way of spreading and getting twisted in the process.

In this welter of 'facts' and denials, there is only one reality that we can hang on to and that is that there is some intra-military squabbling. To put it in simplistic terms, there is some sort of a growing animosity between military officers of Class V and Class VII, both of whom have their own power base. Our top military man, Supreme Commander and Commander-in-Chief of the Royal Thai Army, Gen Athit Kamlang-ek, to the best of our knowledge, has been trying to pour oil on troubled waters and even he may not be aware of the squalls that are providing the divisiveness and confusion.

Thailand's elder statesman, M. R. Khukrit Pramot, recently said that the military has a definite role to play in the political structure of the country. Nobody refutes that statement nor is such a role being denied the armed forces. In times gone by, the military has interfered to "set aright" the political situation in Thailand because of escalating communist insurgency, misuse of student power or chaos caused by parliamentarians.

At present none of these are present. Whatever little is left of communist insurgency is well under control; the students have not stirred even inside their campuses; Parliament is not in session and the coalition is working smoothly under highly respected Prime Minister Prem Tinsulanon. And so we consider it the duty of the top brass in the military to defuse the situation and rid the people of the confusion resulting from a situation that nobody seems to understand.

But there is good news from the United States. General Prem has been given a clean bill of health after thorough examination by the world's top cardiologists and he will be able to return soon after a well-deserved holiday. But even before that we would like the confusion and the rumours to be quelled. It is imperative that the country should return to normal so that the smooth progress we have been achieving is not hindered.

There is one more point which we would like the armed forces to consider very seriously. This is the first time in several decades that Thailand is facing an external threat. Unity among the armed forces is highly essential not because there is an elusive "third hand" but there is a definitive enemy who will gain very much by any domestic chaos.

CSO: 4200/1075

## OFFICER CALLS ON ATHIT ON 'TURK' ARREST

BK210942 Bangkok SIAM RAT in Thai 20 Sep 84 pp 1, 12

[Excerpt] The arrest of former young Turk Army officers Colonels Manun Rupkhachon and Bunsak Phocharoen and their release a short time later would not reach a conclusion easily because of a remark by fellow young Turk Col Prachak Sawangchit to the effect that members of the Army Academy Class 5 were responsible for the action aimed at preventing young Turk officers from being allowed to return to military service.

A member of the Army Academy Class 5 told SIAM RAT that on 18 September Major General Suchinda Khraprayun, president of Class 5, called on Army Commander General Athit Kamlang-ek to explain what had happened. The source said Gen Athit was informed of the entire event and told Suchinda to contain his dissatisfaction. Athit also ordered that both sides bring the matter to an end. The young Turks would not put an end to the matter, however.

The source said: "General Athit knew that we did not do what we were alleged to have done. He asked us to keep a low profile. The source pointed out that the whole issue does not concern Class 5 at all; it was action of the police. It happened that a police officer is a member of Army Academy Class 5.

The source said Prachak was trying to show that he was being a victim of persecution and wanted the Army commander to order termination of all actions against Prachak's past illegal activities, adding that Prachak's remarks also show he holds a grudge against us while we never hold a grudge against him.

The source said: "Many members of Class 7 are good people. We feel that these people should advance and we are ready to help. Prachak's remarks could only damage members of Class 7 who are still in the Army because their superiors might think that they were involved with Prachak. [words indistinct] Prachak was speaking only for himself; he did not think about members of his class who are still in the Army." The source admitted that the allegation by Prachak has caused considerable damage to members of Army Academy Class 5. "We might think of some kind of retaliation, but not now. If we do not retaliate or clarify the matter we would stand to suffer more damage."

Meanwhile, a source close to Lieutenant General Chawalit Yongchaiyut told SIAM RAT that he is fully confident that Chawalit was not involved in the arrest of the young Turks. Chawalit is a compromise man who has always helped young Turk officers. "It is not in his character to be anyone's enemy even if one declares himself to be his enemy. He is not a coward; he compromises. Also, he had never done things for publicity."

CSO: 4207/216

EDITORIAL ON REFUGEE PROBLEM

BK121244 Bangkok SIAM RAT in Thai 10 Sep 84 p 3

[Editorial: "Inability To Solve Refugee Problem"]

[Text] UN High Commissioner for Refugees Poul Hartling noted on 7 September that there has been increased success in the remedy of the Indochinese refugee problem. He pointed out that an average of 2,500 refugees were resettled in third countries every month and praised Thailand for sheltering refugees. He noted that about 600,000 refugees came to and have left Thailand since 1975 and added that only about 100,000 refugees now remain in Thai camps and centers.

Hartling's statement reflects only the United Nations' High Commission for Refugees [UNHCR]'s view of the refugee problem, but as far as the Thai Government is concerned, the problem remains unrelieved and will be prolonged indefinitely.

Though the UNHCR provides for the feeding of refugees and arranging their resettlement in third countries and their voluntary repatriation, the presence of 100,000 refugees creates a great burden and security dilemma for Thailand, not to mention the expected constant new arrivals.

It appears that the refugee problem will never end as long as fighting continues in Indochinese countries and as long as there is pressure to push Indochinese people out of their countries without any regard for their lives. In particular, the Vietnamese influence over the whole of Indochina has created pressure on Indochinese people to leave their home countries.

We feel that the countries on the rim of the Pacific—Thailand, Singapore, Indonesia, Malaysia, the Philippines, Australia, Japan, and the United States—have become victims of Vietnam's tactic of using refugees to threaten immediate and future security of their countries. Moreover, Vietnam also indirectly victimizes other countries that feel obliged to accept refugees for resettlement. We feel that these countries' kind resettlement of Indochinese refugees constitutes appeasement to Vietnam, which is not right. For this reason, they should take every available opportunity to counter Vietnam's bullying.

We believe Vietnam will show its mastership of Kampuchea at the UN General Assembly this year by proposing that the Kampuchean seat be vacated in the hope that it could later be given to the Heng Samrin regime.

We can only hope that Vietnam will eventually realize that its aggressive policy is despised by all countries.



## TWO OFFICIALS SAY 'TURKS' NOT ARRESTED

BK171445 Bangkok Domestic Service in Thai 0530 GMT 17 Sep 84

[Text] Interior Minister Sitthi Chirarot told reporters at the Interior Ministry this morning that the arrest of the two ex-military officers which took place 2 days ago was made by police authorities who acted in accordance with the information they had received. The two ex-military officers were invited, not arrested, for interrogation. They were released after the interrogation because the police authorities could find nothing to incriminate them. The interior minister noted that the task of maintaining peace and order is the duty of the police. Political unrest and crime can happen any time. The police authorities are now fighting crimes. However, differences in opinions on political issues can be compromised but they must not lead to the outbreak of conflict because political unrest can follow. The two persons mentioned are Colonel Manun Rupkhachon and Colonel Bunsak Phocharoen.

Meanwhile, Deputy Prime Minister General Prachuap Suntharangkun said he had received a report from the police saying that the two ex-military officers were invited, not arrested, for the interrogation. Many people mistook the invitation for an arrest because it was carried out quickly. The deputy premier said he was not informed of the result of the interrogation. Normally, he added, the Crime Suppression Division's duty is to follow up all suspected sabotage activities and crimes against individuals. The police authorities can take actions as they deem appropriate if they deal with criminal cases.

CSO: 4207/216

EDITORIAL ASKS PROTECTION OF THAIS IN IRAQ

BK110830 Bangkok SIAM RAT in Thai 8 Sep 84 p 3

[Editorial: "Death Sentence for a Thai Worker in Iraq"]

[Text] It was reported that a Thai worker named Thitthai Charoenthaz has been arrested by Iraqi authorities and sentenced to death on charge of spying for Israel. He is now awaiting execution. This case constitutes a grave threat to the Thai workers in that country.

We will not say whether Thitthai is a spy or not because we do not have any evidence to substantiate our judgment. However, we feel that the punishment is too strong considering the consistently good relations between Thailand and Iraq.

We understand the Iraqi Government's special alertness against any possible espionage activity against the country's strategic locations. A few years ago, Israeli aircraft bombed Iraq's nuclear plant, thus foiling its plan to develop itself into a major power in the region. But the Iraqi Government should also treasure its friendly relations with other countries like Thailand, too.

The Thai workers who were arrested on the same charge and later released revealed that the Iraqi authorities resorted to physical torture to force them to confess.

It is not known if Thitthai was tortured during his interrogation or not. If he was, the case should be reviewed.

In this regard, we want the Thai Government to ask the Iraqi Government about this inhuman practice and, if there was any, suggest it put an end to such a disgusting practice.

In addition to this, we should appeal to Amnesty International, which once received the Nobel Prize for its work, to investigate the case and publicize its findings.

We appeal to all governments that have sent workers from their countries to Iraq to gather and publicize information about the maltreatment of their people in order to save the Iraqi Government's face [sentence as published].

We would like to mention here the role of the Thai Embassy in Iraq. In particular, we want to know how much attention the labor attache has paid to the plight of the Thai workers in that country.

We do not know to what extent the Thai workers there can rely on the Thai Embassy when they are in trouble. The Foreign Ministry can answer this question well.

We want to see the Thai workers abroad make full use of the Thai Embassies in their respective countries because it is the duty of those embassies to defend the interests of the Thai nation and its people.

It is possible that those embassies have already done their best but still cannot cope with problem because of the lack of personnel and budget. If that is the case, they should advise the Foreign Ministry to revise the working procedure so that they will be able to defend fully the interests of Thai workers.

CSO: 4207/216

## NO CONFIDENCE MOTION THREATENED ON BUSES ISSUE

BK220526 Bangkok THE NATION REVIEW in English 22 Sep 84 p 3

[Text] Chat Thai Party will appeal to Prime Minister Prem Tinsulanon next week on the result of the government's investigation into the 19-bus controversy in which Communications Minister Samak Sunthorawet was charged with breaching his authority.

Chat Thai leader Maj Gen Praman Adireksan said yesterday that his party would possibly propose a no-confidence motion against Samak and the premier if no further and clearer explanation was given by the government concerning its investigation of the case.

He said his party would also submit the case to the Counter Corruption Committee for its investigation.

Major General Praman criticized the government for announcing the result of its investigation in a statement which contained only eight lines while "we supplied the government's investigation committee with about 50 pages of reports."

The opposition leader said an appeal for the government to review its investigation on the case would be submitted to the premier when he returns to Bangkok next week.

"This time we will not give any more documents but we will call for a no-confidence debate in the House if the government fails to take any action," he said.

When the new parliamentary session is opened, a no-confidence motion will be submitted to the House, Major General Praman said, adding that Communications Minister Samak would be the target in the no-confidence debate while the premier could possibly be included in his capacity as head of the Cabinet.

He said he was confident that his party would succeed if it wanted to call for a no-confidence debate in the House and that "this time there will be no internal conflict within our party."

Chat Thai Secretary General Banhan Sinlapa-acha said his party, in its reports to the government, had asked several questions on the 19-bus deal but not a single reply was given by the government.

Deputy Prime Minister Gen Prachuap Suntharangkun informed the Chat Thai leader early this week that Samak was innocent in the 19-bus controversy in which he was charged with breaching his authority in granting a franchise on a bus route to the owners of 19 private buses.

The deputy premier's statement was in line with the result of an investigation by the government's two-man committee. Committee members were Mr Michai Ruchuphan and Dr Kramon Thongthammachat, both ministers of the PM's Office.

CSO: 4200/1075

## TASK FORCE SET UP TO BOOST SECURITY IN SOUTH

BK250647 Bangkok Domestic Service in English 0000 GMT 25 Sep 84

[Text] A special task force, including 200 policemen, has been set up in the south to crack down on influential people and supporters of communist guerrillas in the three southern provinces of Nakhon Si Thammarat, Trang and Phatthalung. Commander of police regional headquarters 2, Police Major General Chumphon Attasat, says that the task force will serve as a mobile unit and its mission will concentrate on sensitive areas where the military or police forces find it hard to enter. He points out that many unscrupulous influential people and supporters of terrorists who live in the sensitive area have harassed the people, particularly owners of rubber plantations who have frequently been ordered to pay protection fees to them. Police Maj Gen Chumphon says that the special task force started its mission late last month by launching a raid into a sensitive area in Trang during which 10 sympathizers and supporters of communist terrorists were arrested. Officials in the task force also seized a number of arms and ammunition in the raid, he says, adding that the suppression area would later be expanded to Muang and Huai Yot districts in the same province.

Police Maj Gen Chumphon says that the special task force has also set the period of 17-18 September for its operations in areas which straddle Phatthalung and Trang. Those are communists infiltrated areas where provincial police have frequently been attacked during their routine duty.

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## BRIEFS

**SITTHI VISIT TO VENEZUELA**—Thailand and Venezuela plan to sign a trade agreement following the establishment of diplomatic relations 2 years ago. Foreign Minister Sitthi Sawetsila, who talked with the Venezuelan Government early this week, said that the agreement could be signed next year during a planned visit by Venezuelan Foreign Minister Isidora Morales Paul to Bangkok. Minister Sitthi said earlier that Thailand was interested in importing Venezuelan oil when a long-term supply contract with Saudi Arabia expires at the end of the year. He said, in return, Thailand could sell Venezuela agricultural produce, including maize. Foreign Minister Sitthi left Venezuela for Jamaica yesterday on the final leg of a Latin American tour which also included Brazil and Uruguay. [Text] [BK210615 Bangkok Domestic Service in English 0000 GMT 21 Sep 84]

**NATURAL GAS OUTPUT**—Natural gas production from Union Oil Company of Thailand's Erawan field has hit a record high of 200 million cubic feet per day. The increase in gas output is due to additional wells just put on stream from a new platform erected in the field. Erawan's sister gas field Banphot is delivering about 30 million cubic feet per day. Total production from the two fields is averaging 230 million cubic feet of gas per day and 8,700 barrels per day of condensate. Union Oil Company said that development work on two other gas fields, namely Satun and Pla Thong, is also progressing well. Some 35 wells have been drilled at Pla Thong, and four rigs are currently at work at Satun where 16 wells have been bored and completed. Both the Satun and Pla Thong fields are scheduled to start producing early next year. [Text] [Bangkok Domestic Service in English 0000 GMT 15 Sep 84 BK]

**ITALIAN AID**—An economic and technical cooperation agreement between Thailand and Italy was signed recently in Bangkok by the Italian ambassador and the director general of the Technical and Economic Cooperation Department. Under the agreement, the Italian Government will provide a 35-million baht grant to the National Energy Administration for the pilot project to produce gas from wood and animal waste. The gas will in turn be used as fuel for generating electricity for use in villages. If the test is successful, the idea will be applied for rural electrification in the upper rural areas. [Summary] [Bangkok Domestic Service in English 0000 GMT 14 Sep 84 BK]

**CAR BODY IMPORTS BANNED**--The Council of Economic Ministers yesterday decided to impose an import ban on automobile bodies, effective from today. The decision is an apparent move to prevent the entry of car body imports for local assembly. A ban on fully assembled car imports has been in force for several years, with only international organisations and diplomats exempted from it. Commerce Minister Koson Krairoek told reporters that some firms were importing car bodies, particularly expensive makes like the Mercedes Benz, for local assembly and sale. Body and parts imports are subject to 80 percent tax on the import value--very cheap compared to a fully assembled foreign car which is subject to an import tax of 350 percent. Car buyers usually prefer cars with imported bodies as they cost less than those manufactured locally. [Text] [BK120324 Bangkok BANGKOK POST in English 11 Sep 84 p 13 BK]

**ANTI-HIJACK UNITS**--Police have formed anti-hijack units in all southern provinces where there are commercial airports, Deputy Commissioner of the Fourth Region Provincial Police, Pol Maj-Gen Linpit Satchaphan, said yesterday. Each unit comprises 15 members recruited from the provincial police subdivision with a commissioned officer as its head, he added. Recruits have undergone rigorous training in anti-terrorist and hostage rescue tactics in Thung Song District of Nakhon Si Thammarat. Marine and aviation police have cooperated in providing training facilities for the recruits. [Text] [BK280443 Bangkok BANGKOK POST in English 28 Aug 84 p 3 BK]

**JAPANESE GRANT**--Japan yesterday signed an agreement for a yearly aid grant of 2,000 million baht to assist the Department of Technical and Economic Cooperation. Director General of the department, Aphilat Osathanon, and Japanese Foreign Ministry representative Makato Asami cosigned the agreement after 2 days of discussion. Japan has been providing aid to Thailand for 6 years with an amount increasing each year. The grant covers 16 ongoing technical cooperation package-type projects and two new ones, which are for the Medical Science Department and the Agricultural Extension Department. It is included feasibility study projects and cultural aid. [Summary] [Bangkok Voice of Free Asia in English 1030 GMT 29 Aug 84 BK]

**AUSTRALIAN AID**--Thailand and Australia have signed a memorandum of understanding under which Australia will provide assistance to Thailand's four development projects. There are the Khwae Noi River multipurpose dam feasibility study project, assistance to the faculty of natural resources, Prince of Songkhla University, and two other agricultural research projects. Signing the document on behalf of Thailand was Minister of the Prime Minister's Office Banyat Banthatthan while representing the Australian Government was Australian Ambassador to Thailand Mr G.A. Jockel. [Excerpt] [Bangkok Domestic Service in English 0000 GMT 30 Aug 84 BK]

**POPULATION DATA**--The latest census conducted by the Local Administration Department and finished on 30 June shows that there are now 50 million people in Thailand. Of the total, 26 million are men and 24 million women. The five most populous provinces include Bangkok with 5.08 million people, Nakhon Ratchasima with 2.07 million, Ubon Ratchathani with 1.67 million, Udon Thani with 1.6 million, and Khon Kaen with 1.4 million. Other provinces with a population

of more than 1 million are Nakhon Si Thammarat, Chiang Mai, Buriram, Sisaket, Surin, Roi Et, and Nakhon Sawan. Bangkok's population fell by 440,000 in comparison to October of last year. [Text] [BK100232 Bangkok Domestic Service in English 0000 GMT 6 Sep 84 BK]

**DELEGATION TO SEOUL**—A Thai parliamentary team left yesterday morning for Seoul, Korea. Members of the team will meet with their Asian and Pacific counterparts at the 20th Assembly of the Asian-Pacific Parliamentary Union being held there. The 8-member team comprising three senators, four members of Parliament, and a parliamentary official is led by Senator Admiral Ban-dit Suwong. Parliament President Dr Ukrit Mongkhonnavin was initially scheduled to lead the team but early this week announced he could not go. The union was established in 1965 with the aim of promoting parliamentary democracy in Asian and Pacific countries. [Text] [BK151145 Bangkok Domestic Service in English 0000 GMT 15 Sep 84]

**NEW RESOLUTIONS PROPOSED**—The Association of Southeast Asian Nations or ASEAN will propose two new resolutions on the Kampuchean problem at the 39th UN General Assembly next month, director general of the International Organizations Nit Phibunsongkhram reportedly said. He said one of the two resolutions would be the stepping up of publicity on the work of the UN-Sponsored International Conference on Kampuchea or ICK. Chairman of ICK Willibald Pahr recently said here during his visit to Thailand that the ICK must find ways to implement the UN resolutions which call for a total withdrawal of Vietnamese troops from Kampuchea and hold a free election under the international supervision. The director general said the other resolution would deal with human rights in Kampuchea including the Kampuchean refugees living along the Thai-Kampuchean border. [Text] [BK241247 Bangkok Voice of Free Asia in English 1030 GMT 24 Sep 84]

**TRIAL OF SULAK**—Well-known writer and social critic Sulak Siwarak as well as publisher Kitti Sitthichindachok today faced court trial for giving a press interview and the publication of books which carried alleged lese majeste statements. Another co-defendant, Chitakon Tangkasemsuk, did not arrive to hear the charge as he had asked for a postponement of his trial with the court. Sulak and Kitti were brought to the Criminal Court this morning to hear the charges filed by the military prosecutors. According to the prosecutors, Sulak, Chitakon and Kitti faced alleged lese majesty charge in two cases. The first case, the prosecutor said, was allegedly committed by Sulak on 23 December 1982 when he gave an interview to Miss Raphin Iamrap on the topic "looking at the Thai Politics after political change in 2475 [1932]." The second case was allegedly committed between October last year and March this year when the interview Mr Sulak had given to Chitakon and published in the book entitled "A Look at the Thai Education—Past, Present and Future" carried alleged lese majeste statements. [Text] [BK260914 Bangkok BANGKOK WORLD in English 26 Sep 84 p 32]

**REFUGEES FACE FOOD SHORTAGE**—More than 9,000 Karen refugees seeking refugee in Thailand are facing a food shortage, spokesman for the Supreme Command's Thai-Burmese Affairs Col Somsak Si Suphannadit said at a press conference yesterday. A total of 2,031 Karen families with 9,688 persons who had fled Burmese-Karen fightings in Burma into Thailand since the beginning of this year are staying in six camps in Mae Sot, Mae Ramat and Tha Song Yang districts of Tak Province, he said. The spokesman said various relief agencies which have been providing

the refugees with necessary items including rice, dried food, clothings and medicines are now short of fund. A report from a government relief committee said this morning that all refugee camps have been short of rice for 2 weeks. This was a result of prolonged fighting between Burmese and Karen soldiers which prevented the refugees returning to Burma, so that an emergency fund which was set to help the refugees for a short period is almost used up. The relief agencies recently appealed to the Thai Government for help, a relief official said. [Text] [BK210929 Bangkok BANGKOK WORLD in English 21 Sep 84 p 3]

BOAT PEOPLE LAND--Trat--Ten Vietnamese boat people landed in Ban Laem Klab in Muang District here over the weekend, police reported. The refugees--six adults and four children--are now being detained by police for questioning. [Text] [BK240935 Bangkok BANGKOK WORLD in English 24 Sep 84 p 3]

BOAT ARRIVALS LOW--Last month saw the lowest number of Vietnamese boat arrivals in 6 years, with only 450 refugees landing in countries of first asylum in Southeast and East Asia. The United Nations High Commissioner for Refugees [UNHCR] said on Friday that 217 boat people landed in Hong Kong, 105 in the Philippines, 53 in Thailand, 38 in Malaysia and 37 in Singapore. The low arrival rate was partly attributed to bad weather, especially in countries like Thailand which report few arrivals during the peak monsoon season. Boat arrivals this year have so far totalled less than the number of refugees leaving Vietnam under the Orderly Departure Programme [ODP]. Boat arrivals until the end of August totalled 17,260, against 19,418 ODP departures. Pirate attacks have also diminished, with no attacks reported in August, the UNHCR said. [Text] [BK230258 Bangkok BANGKOK POST in English 23 Sep 84 p 3]

MILITARY REUNION SUPPORT FOR ATHIT--Chulachomklao Royal Military Academy's Class Five is to hold its second reunion in 8 days on Sunday in what is seen as a show of force and unity. The reunion, also involving the Naval Officers College and Air Force Academy of 1953, will be held at the Hilton Hotel on Sunday night. A source said Supreme Commander Gen Athit Kamlang-ek, newly-appointed Navy Commander-in-Chief Admiral Nippon Sirithon and Lt-Gen Chawalit Yongchaiyut, deputy army chief-of-staff had already accepted the invitation. Air Force Commander-in-Chief ACM Praphan Thupatemi might not be able to attend but was likely to be represented by his deputy or an assistant. The source also said no fewer than 50 police and military major-generals in key posts were expected to attend. A Class Five officer who declined to be identified said last night the reunion was simply a social gathering to congratulate those promoted to major-general. But an observer said that in light of the events of the past few weeks involving other classes, the event was clearly a show of support for Gen Athit and his close aides. In addition, he said the gathering appeared to be a demonstration of unity and loyalty for Prime Minister Prem Tinsulanon. [Text] [BK280214 Bangkok BANGKOK POST in English 28 Sep 84 p 3]

DIPLOMATIC RELATIONS WITH TOGO--The cabinet this week approved the Foreign Ministry's proposal to establish diplomatic relations with Togo. In its proposal, the Foreign Ministry says the Togo foreign minister has expressed an interest to open such ties with Thailand. Togo has good relations with both Western and socialist countries. Although Thailand and Togo have not yet



officially established diplomatic relations, contact has been smoothly made between the countries both in political and commercial fields. The ministry also says Togo has from the very beginning supported Thailand's and ASEAN's stand towards the Kampuchean problem. [Summary] [Bangkok Domestic Service in English 0000 GMT 20 Sep 84 BK]

DIPLOMATIC TIES WITH JAMAICA—In order to promote friendly relations and close cooperation between the Kingdom of Thailand and Jamaica, the governments of the Kingdom of Thailand and Jamaica have agreed to establish normal diplomatic relations at the ambassadorial level from 10 September 1984. Both governments will approve the appointment of the other's ambassador at a later date. [Signed] General Prachuap Suntharangkun, acting prime minister. [Text] [BK210955 Bangkok Domestic Service in Thai 0000 GMT 21 Sep 84]

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